DOCUMENT RESUME

ED 262 733 HE 018 820

AUTHOR Walters, Pamela Barnhouse; And Others
TITLE Validation of Student and Parent Reported Data on the Basic Grant Application Form: Institution/OE Referral Study, Pre-Established and ACT Criteria Study, Overpayment Recovery. Final Report, Volume 2.
INSTITUTION Applied Management Sciences, Inc., Silver Spring, Md.
SPONS AGENCY Bureau of Student Financial Assistance (DHEW/OE), Washington, D.C.
PUB DATE 31 Jul 78
CONTRACT 300-76-0354
NOTE 382p.; For related documents, see HE 018 812-826. Tables may not reproduce well due to small print.
PUB TYPE Statistical Data (110) -- Reports - Evaluative/Feasibility (142)

EDRS PRICE MF01/PC16 Plus Postage.
DESCRIPTORS Accountability; *College Students; *Disclosure; *Eligibility; *Error Patterns; *Financial Aid Applicants; Financial Needs; Grants; Higher Education; Income; Program Evaluation; Student Characteristics; *Student Financial Aid; Student Records
IDENTIFIERS *Basic Educational Opportunity Grants

ABSTRACT

The validity of information provided in applications to the Basic Educational Opportunity Grant (BEOG) program was studied, along with procedures used in recovering overpayments. The objective was to investigate misreporting and misuse of the BEOG program. A 1977-1978 study reviewed cases referred to the U.S. Office of Education by educational institutions. Attention was directed to reasons for institution referrals, the mode of case resolution, the impact of the validation process on Student Eligibility Indices, the impact on changes to individual Student Eligibility Reports (SERs) entries, and types of documentation used to support case referrals. Another study investigated a random sample of about 8,000 applicants who were selected based on 1977-1978 applications that were believed to entail errors on SERs. The criteria identified cases in which internal inconsistencies were apparent in the application. In addition, a separate set of criteria for identification of potential misreporters was developed: American College Testing Program criteria that accounted for possible sources of error that had been identified through past validation efforts and studies. The outcomes of the first year of operation of the Overpayment Recovery System were also assessed. Statistical findings of the studies are included in approximately 50 tables. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

HE

ED262733

G-90

VALIDATION OF STUDENT AND PARENT REPORTED DATA ON THE BASIC GRANT APPLICATION FORM

FINAL REPORT

VOLUME II

Institution/OE Referral Study
Pre-established and ACT Criteria Study
Overpayment Recovery

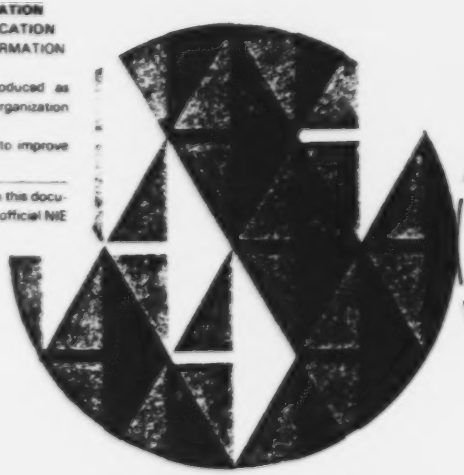
July 31, 1978

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Bureau of Student Financial Assistance

Contract No. 300-78-0354

HE 018 820

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
This document has been reproduced as received from the person or organization originating it.
Minor changes have been made to improve reproduction quality.
Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.



APPLIED MANAGEMENT SCIENCES

G-90

VALIDATION OF STUDENT AND PARENT REPORTED DATA ON THE BASIC GRANT APPLICATION FORM

This report is made pursuant to Contract No. 300-76-0354. The amount charged to the Department of Health, Education, and Welfare for the work resulting in this report (inclusive of the amounts so charged for any prior reports submitted under this contract) is $1,297,082.00. The names of the persons employed by the contractor with managerial or professional responsibility for such work, or for the content of this report, are as follows:

Ms. JoAnn Kuchak, Project Director
Mr. Michael Consiglio, Director of Data Processing
Ms. Karen Smith, Project Analyst
Ms. Jean Redwine, Project Analyst
Ms. Cindy Maus, Project Analyst
Ms. Laura Webb, Project Analyst
Ms. Andrea Epstein, Project Analyst
Ms. Jewel Ganaway, Project Analyst
Ms. Pamela Walters, Senior Project Analyst

Applied Management Sciences, Inc.
962 Wayne Avenue, Suite 701
Silver Spring, Maryland 20910

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Bureau of Student Financial Assistance

Authors: Pamela Barnhouse Walters, Ed.M., Karen Smith, B.A., and Jean Redwine, B.A.

Project Director: JoAnn Kuchak, M.A.

Director of Data Processing: Michael Consiglio

TABLE OF CONTENTS

Chapter	Title	Page
1	INTRODUCTION	1.1
2	INDIVIDUAL VALIDATION FINDINGS: INSTITUTION/ OE/BEOG CONTRACTOR REFERRAL STUDY	2.1
	2.1: STUDY OVERVIEW	2.1
	2.2: VALIDATION METHODOLOGY	2.2
	2.3: APPROACH TO DATA ANALYSIS	2.7
	2.4: INSTITUTION REFERRAL STUDY RESULTS	2.15
	2.5: CHAPTER SUMMARY	2.62
3	INDIVIDUAL VALIDATION FINDINGS: PRE-ESTABLISHED CRITERIA STUDY	3.1
	3.1: STUDY OVERVIEW	3.1
	3.2: VALIDATION METHODOLOGY	3.2
	3.3: APPROACH TO DATA ANALYSIS	3.8
	3.4: PRE-ESTABLISHED CRITERIA STUDY RESULTS: CASE STATISTICS	3.9
	3.4.1: MODE OF CASE RESOLUTION	3.10
	3.4.2: DISTRIBUTION OF CONFIRMED SER ERRORS	3.18
	3.4.3: CHANGES IN STUDENT ELIGIBILITY INDICES	3.25
	3.4.4: CHANGES IN CRITICAL SER DATA ITEMS .	3.30
	3.4.5: SELECTION CRITERIA	3.32
	3.5: PRE-ESTABLISHED CRITERIA STUDY RESULTS: INSTITUTION STATISTICS	3.37
	3.5.1: INSTITUTION SIZE	3.47
	3.5.2: INSTITUTION CONTROL	3.55
	3.6: AMERICAN COLLEGE TESTING PROGRAM CRITERIA STUDY: CASE FINDINGS	3.64
	3.7: CHAPTER SUMMARY	3.72
4	ANALYSIS OF INDIVIDUAL VALIDATION PROCEDURES . . .	4.1
	4.1: INTRODUCTION	4.1

Chapter	Title	Page
	4.2: PROCEDURAL REVIEW METHODOLOGY	4.2
	4.3: INSTITUTION REFERRAL STUDY RESULTS	4.5
	4.4: PRE-ESTABLISHED CRITERIA STUDY RESULTS . . .	4.66
	4.5: CHAPTER SUMMARY	4.138
5	ANALYSIS OF OVERPAYMENT RECOVERY PROCEDURES	5.1
	5.1: STUDY OVERVIEW	5.1
	5.2: OVERPAYMENT RECOVERY METHODOLOGY	5.2
	5.3: STUDY RESULTS	5.5
	5.3.1: SOURCE OF REFERRALS	5.5
	5.3.2: LOCATING OVERPAYMENT RECIPIENTS . . .	5.9
	5.3.3: PAYMENT PLAN SELECTION	5.10
	5.3.4: REPAYMENTS	5.12
	5.3.5: MODES OF CASE RESOLUTION	5.13
	5.3.6: LENGTH OF TIME REQUIRED TO RESOLVE A CASE	5.15
	5.4: CHAPTER SUMMARY	5.17

LIST OF TABLES

Tables	Title	Page
2.1	Distribution of Referral Reasons by Actual Discrepancies (Institution and OE Referrals).	2.16
2.2	Distribution of Referral Reasons by Type of Institution Control (Institution and OE Referrals).	2.22
2.3	Mode of Case Resolution by Referral Reasons (Institution and OE Referrals).	2.26
2.4	Distribution of Mode of Resolution by Average Initial SEI for Applicants at Various Income Levels (Institution and OE Referrals).	2.30
2.5	Distribution of Mode of Resolution by Initial Dependency Status (Institution and OE Referrals).	2.33
2.6	Number of Cases by Mode of Resolution and by Institution Type and Size (Institution Referrals Only).	2.34
2.7	Distribution of Applicants (Initial Model) by Actual Discrepancy, by Application Year (Institution and OE Referrals), Duplicated Count.	2.40
2.8	Average Student Eligibility Index (SEI) Change by Referral Reasons (Institution and OE Referrals). . . .	2.46
2.9	Average Student Eligibility Index (SEI) Change by Actual Discrepancy (Institution and OE Referrals), Duplicated Count.	2.48
2.10	Unduplicated Distribution of Actual Student Eligibility Report Discrepancies by Average Absolute and Effective SEI Changes for Various Institution Sizes (Institution and OE Referrals).	2.50
2.11	Distribution of Average Change to Discrepant Data by Income Level for each Reported Data Element (Institution and OE Referrals).	2.53
2.12	Average Change of Reported Data Elements, Average Initial Eligibility Index and Average Final Eligibility Index (Institution and OE Referrals).	2.55
2.13	Types of Documentation Used to Support Case Referrals by Institution Size (Institution Referrals Only), Duplicated Count.	2.56

LIST OF TABLES (Continued)

Tables	Title	Page
2.14	Types of Documentation Used to Support Case Referrals by Institution Control (Institution Referrals Only), Duplicated Count.	2.60
3.1	Distribution of Mode of Resolution by Dependency Status (Pre-established and ACT Criteria).	3.12
3.2	Distribution of Mode of Resolution by Income Level (Pre-established Criteria).	3.14
3.3	Mode of Case Resolution by Applicant's Year in School and Dependency Status (Pre-established Criteria). . . .	3.17
3.4	Duplicated Distribution of Actual Student Eligibility Report Discrepancies by Dependency Status (Pre-established and ACT Criteria).	3.20
3.5	Duplicated Count of Absolute and Effective Mean SEI Changes by Income Level for each Actual Discrepancy Type (Pre-established Criteria).	3.21
3.6	Duplicated Count of Absolute and Effective Mean SEI Changes by Year in School for Each Actual Discrepancy Type (Pre-established Criteria).	3.28
3.7	Average Reported Data Element Change by Dependency Status (Pre-established and ACT Criteria).	3.31
3.8	Average Reported Data Element Change by Income Level (Pre-established Criteria).	3.33
3.9	Selection Criteria Points by Year in School (Pre-established and ACT Criteria).	3.35
3.10	Selection Criteria Points by Initial Income - AGI and NTI (Pre-established and ACT Criteria).	3.36
3.11	Mode of Case Resolution by Selection Criteria Point Ranges (Pre-established and ACT Criteria).	3.39
3.12	Selection Table Criteria by Mode of Resolution (Pre-established Criteria).	3.40
3.13	Distribution of Average Change to Discrepant Data by Selection Table Criteria for each Reported Data Element (Pre-established Criteria).	3.44

LIST OF TABLES (Continued)

Tables	Title	Page
3.14	Distribution of Mode of Resolution by Average Initial SEI for Various Institution Sizes (Pre-established Criteria).	3.48
3.15	Duplicated Distribution of Actual Discrepancy Types by Institution Size (Pre-established and ACT Criteria). .	3.50
3.16	Unduplicated Distribution of Actual Student Eligibility Report Discrepancies by Absolute and Effective Mean SEI Changes for Various Institution Sizes (Pre-established Criteria).	3.52
3.17	Distribution of Mode of Resolution by Average Initial SEI for Various Types of Institution Control (Pre-established and ACT Criteria).	3.56
3.18	Duplicated Distribution of Actual Discrepancy Types by Institution Control (Pre-established and ACT Criteria).	3.60
3.19	Unduplicated Distribution of Actual Student Eligibility Report Discrepancies by Absolute and Effective Mean SEI Changes for Various Types of Institution Control (Pre-established Criteria).	3.62
3.20	Duplicated Count of Absolute and Effective Mean SEI Changes by Income Level for Each Actual Discrepancy Type (ACT Criteria).	3.68
4.1	Frequency of Transactions with Student/Parent by Referral Reasons (Institution and OE Referrals). . . .	4.8
4.2	Frequency of Transactions with Student/Parent by Actual Discrepancies (Institution and OE Referrals). .	4.22
4.3	Distribution of First Responses by Referral Reasons (Institution and OE Referrals).	4.36
4.4	Distribution of Second Responses by Referral Reasons (Institution and OE Referrals).	4.46
4.5	Distribution of Third Responses by Referral Reasons (Institution and OE Referrals).	4.54
4.6	Mean Number of Institution/Other Transactions by Referral Reasons (Institution and OE Referrals). . . .	4.60

LIST OF TABLES (Continued)

Tables	Title	Page
4.7	Mean Number of Student/Parent Transactions by Referral Reasons (Institution and OE Referrals).	4.64
4.8	Frequency of Transactions with Student/Parent by Actual Discrepancies (Pre-established and ACT Criteria)	4.68
4.9	Distribution of First Responses by Actual Discrepancy Type (Pre-established and ACT Criteria).	4.84
4.10	Distribution of Second Responses by Actual Discrepancy Type (Pre-established and ACT Criteria).	4.92
4.11	Distribution of Third Responses by Actual Discrepancy Type (Pre-established and ACT Criteria).	4.102
4.12	Mean Number of Applicant/Parent Transactions by Actual Discrepancy Type (Pre-established and ACT Criteria).	4.110
4.13	Mean Number of Institution/Other Transactions by Actual Discrepancy Type (Pre-established and ACT Criteria).	4.124
4.14	Mean Number of Applicant/Parent Transactions by Mode of Resolution (Pre-established and ACT Criteria). . . .	4.134

LIST OF EXHIBITS

Exhibits	Title	Page
A	Explanation of Tabular Presentation of Study Findings.	2.8
B	Distribution of Applicants Selected in Pre-established Criteria Study within Sampling Criteria.	3.4
C	Mailing Dates of Initial Contact Letters to Students in the Five Sampling Groups.	4.119

1

INTRODUCTION

The Basic Grant Program, authorized by the Education Amendments of 1972, was established to provide a foundation of education financial assistance for postsecondary education to all students meeting the eligibility requirements of the Program. In comparison to many other financial aid programs which may require maintenance of certain academic standards, or may be evaluated based on the school's "relative need", the Basic Grant Program is based solely on financial need as determined by such factors as family size, available income and assets, and the costs of the institution.

The Basic Grant Program has been in operation for six years. Since its initial year of operation when only freshmen students were eligible to receive a Basic Grant award, the number of applicants, recipients, and aggregate award amounts has grown at an explosive rate. Currently, approximately $2.18 billion is annually expended in total Basic Grant awards. It is clear that misreporting of application data on the part of even a fairly minor percentage of the applicants can result in quite a large "overexpenditure" for the program. There has been, correspondingly, an increased commitment to maintain the integrity of the program through periodic reviews of program policies, regulations, and procedures.

A major component of these efforts has been the continuing development and implementation of procedures to validate a portion of the Basic Grant applications and to recover funds from students

identified by their institutions as recipients of overpayments. These validation and overpayment recovery efforts were performed on a contract basis with USOE. The third year of the validation study has recently been completed, and the overpayment recovery effort is in its second year of operation. The subject of this report, then, is a description of the results and findings based on these two interrelated studies. Both of the study activities, although different in design and intent, have one common objective, i.e., to assess the scope and nature of misreporting and abuse of the Basic Grant Program. A brief description of these two efforts is given below.

Individual Validation Studies

Validation of individual applications consisted of two component studies modified and expanded from the 1976-77 validation project. The first component study, the Institution/OE Referral Study, involved reviewing cases referred to the Office of Education by participating BEOG institutions. The types of cases requested for referral were those in which apparently discrepant information entered on Student Eligibility Reports conflicted with other sources of student information maintained by financial aid offices. The following types of cases were investigated:

- Current year institution referrals (1977-78)
- Carry-over cases from the previous validation (1975-76 or 1976-77)
- Cases containing multiple year discrepancies

There were also several cases which were referred for follow-up by sources other than institutions. These included the following:

- Cases referred by the Office of Education
- Cases referred by the processing agency
- Self-reported cases referred by students

The second component study, the Pre-established Criteria Study, was obtained by selecting a random sample of approximately 8,000 applicants from a set of applications filed in the 1977-78 academic year which a priori were believed to be possible cases involving errors on Student Eligibility Reports. In general terms, the criteria identified cases in which internal inconsistencies were apparent in the application, an entry was unusually large and/or an extensive correction had been submitted. These criteria represented a refinement of the criteria used for the 1976-77 Pre-established Criteria study. In addition, a separate set of criteria for identification of potential misreporters was developed and implemented by the application processor. These American College Testing Program (ACT) criteria were developed to account for possible sources of error which had been identified through past validation efforts and other statistical studies and which were not encompassed by the Pre-established Criteria. Approximately 1,000 cases were selected for validation which met the ACT criteria.

In both of these component studies, referred to as the Institution Referral and Pre-established Criteria studies, applicants were requested to provide documentation in support of previously-reported Student Eligibility Report (SER) data and, if an SER was determined to be in error (i.e., contain one or more discrepancies between SER data and documented values), correct erroneous SER data. A series of follow-up activities were implemented until the cases were resolved or closed due to non-response or unacceptable responses.

Overpayment Recovery

In conjunction with the development and implementation of the Individual Validation Studies, during the 1976-77 contract period the Office of Education also established a formal method of identifying overpayment cases and collecting BEOG funds issued to students who received disbursements under ineligible conditions. The Overpayment Recovery System was developed and implemented to serve this function. This system, which was the first large scale, formalized

regular collection effort undertaken by the Basic Grant Program, became operational during the latter part of the 1976-77 application period, and overpayment recovery activities continued for the 1977-78 contract year. Therefore, the latter part of this report summarizes the outcomes of the first full year of operation of the Overpayment Recovery System.

The circumstances under which a case was reported to the Office of Education for recovery of overpaid funds involved the following:

- Cases in which students withdrew from school after receiving a Basic Grant award
- Cases in which a student's eligibility index (SEI) increased after obtaining payment which was based on a lower SEI
- Cases in which students received an award based on ineligible conditions (Bachelor's degree already obtained, non-citizen status, etc.)

All cases were reported only after attempts to collect funds at the institutional level had been unsuccessful. Students referred for collection action were contacted and requested to select a suitable repayment plan. The main objective in this effort was to initiate repayment and to encourage students to continue making regular payments to the Basic Grant Program until the overpayment had been completely refunded. Follow-up activities were also implemented for cases of non-response.

The results of these studies are presented in the following chapters. The individual validation studies are presented in Chapters 2 and 3, respectively. In addition, a separate chapter assesses the effectiveness of the procedures used to conduct the validation studies (Chapter 4). Chapter 5 presents the outcomes of the overpayment recovery effort and an analysis of the procedures used in conducting the overpayment recovery. Each chapter begins with an introduction to the study, a brief discussion of the study methodology, a description of the analytical techniques employed, a presentation of the study findings, and, finally, a brief chapter summary.

2

INDIVIDUAL VALIDATION FINDINGS: INSTITUTION/OE/BEOG CONTRACTOR REFERRAL STUDY

2.1: STUDY OVERVIEW

The 1977-78 Institution Referral Study was a continuation of the previous two years' validation of discrepant Student Eligibility Reports referred to the Office of Education by Financial Aid Officers. Procedures for contacts with students and Financial Aid Officers were developed during the 1975-76 validation effort, and were amended for the 1976-77 and 1977-78 studies. The purpose of this study was to investigate reported discrepancies in order to identify and assess the type and frequency of errors made on Basic Grant applications, and to provide institutions with a method for reporting suspected instances of program abuse. In addition, the Office of Education, and it's contractors, (i.e. the application processor, and the General Information Service) referred cases for validation when it was suspected through normal processing activities that a possible discrepancy appeared on an SER.

School Aid Officers were contacted through a "Dear Colleague" letter which outlined the procedures for reporting discrepant SERs to the Office of Education. The majority of cases were referred as a result of financial aid officers discovering inconsistent data on the SER through comparisons of BEOG SERs with other information on file at the institution. In addition, students were referred whose Student Eligibility Reports contained questionable or highly

unlikely information. For example, an SER showing a large household but reporting little or no income would be considered valid for follow-up. Financial aid officers were instructed to make the initial contract with the student. If the institution was unsuccessful in resolving the discrepancy, the student was referred to the Office of Education for further contact. In some instances, information necessary for follow-up was omitted from the referral. In these cases the financial aid officer was called to obtain clarification and/or additional information. When it was determined by the validation contractor that sufficient evidence to warrant student contact was available, validation procedures were implemented.

2.2: VALIDATION METHODOLOGY

When it had been determined that a case was valid for follow-up by the validation contractor, a letter was mailed to the student or parent specifying the discrepancy reported by the school. This letter instructed the student/parent to review the questionable items, send in all documents requested, and correct the Student Eligibility Report, if appropriate. Letters were sent to dependent student's parents and directly to the independent student. At the time the initial letter was mailed to the applicant/parent, the Basic Grant processor in Iowa City, Iowa was informed that no further applications should be processed for this student until further notification from the validation contractor and the student's file was tracked to prevent further transactions from being processed. In addition, the applicant/parent was informed that failure to comply with validation requests may result in the suspension of the Basic Grant award. The types of documents requested for some common discrepancies are listed below:

Discrepancy	Document
Adjusted Gross Income	Notarized copy of Federal Tax form and W-2 statements
Household Size	Notarized statement of the household size
Non-Taxable Income	Statements from the appropriate agencies indicating the total amount received for the year
Assets	Notarized statements of assets and debts

In some instances applicants/parents were unable to supply the documents requested due to unusual circumstances. In these cases, applicants and parents were permitted to provide some form of alternate documentation.

At the time the letter was mailed to the student/parent, a letter was sent to the Financial Aid Officer with a copy of the student letter enclosed. The letter to the institution informed the Financial Aid Officer that a student was being contacted for validation and in most instances included instructions to withhold any further payments the student may have been due to receive. Some discrepancies did not warrant the withholding of funds by the Financial Aid Officer. Cases falling into this category were those which the reported discrepancy has proven to be difficult to validate, such as assets (i.e., home value, cash savings, etc.). It was for this reason that the Financial Aid Officers were not instructed to withhold payments when this kind of discrepancy occurred. In addition, when discrepancies were referred by the Office of Education or BEOG contractors the Financial Aid Officers were not contacted at the outset of the validation.

If the applicant failed to respond to the initial contact within thirty days, a first reminder was mailed to the student/parent indicating that a response had not been received and that failure to respond could result in award suspension. Enclosed with follow-up letters were photocopies of the initial letter, providing the applicant/parent once again with full instructions for responding completely and accurately to validation requests. Non-response to this first reminder letter resulted in mailing a second (final) follow-up letter which also included a photocopy of the initial letter mailed to the student/parent. After the student/parent received three letters from the validation contractor and did not respond, the student was sent a letter informing him/her that the award was suspended. The Financial Aid Officer was also contacted and informed to continue withholding payments. If the Financial

Aid Officer was not originally instructed to withhold payment from the student, he/she was instructed to do so at the time of award suspension.

When the applicant responded to validation requests, the response was carefully reviewed to determine its accuracy. A response which included all documents requested and a corrected Student Eligibility Report (if necessary) was considered an acceptable response. When an SER was received with all necessary corrections and accompanied by all documents requested, the Financial Aid Officer and student were both mailed a letter informing them to expect a corrected and reprocessed Student Eligibility Report. The amount of the student's award was then recalculated by the Financial Aid Officer according to the corrected report. When documents were received which verified the information originally reported on the SER, the Financial Aid Officer was informed to pay the student the originally calculated award. When a case was satisfactorily closed, the Basic Grant processor was instructed to process any applications the student subsequently submitted.

If the student's response was inappropriate or incorrect, an additional letter was sent specifying the exact documents needed and any corrections which should be made. The letter also indicated if it was necessary to clarify any items. The letter consisted of a general form letter accompanied by attachments indicating the specific items needing attention. If the student responded appropriately to this request, the Financial Aid Officer and applicant/parent were informed of the satisfactory resolution of the case.

The validation procedures were designed to allow each individual at least three opportunities to provide all information requested, and to make any changes to SER data which were necessary. Therefore, the stage at which a student/parent responded dictated the subsequent action by the validation contractor. If students

failed to respond after three contacts or responded incorrectly after the final opportunity given to the student/parent, the student's BEOG award was suspended (by means of notifying the Financial Aid Officer to continue to withhold payments).

All case actions during the validation process were recorded and entered onto the BEOG Automated Receipt Control (BARC) system which produced rosters weekly indicating which cases were due for the next step in the validation process.

The BARC system produced the tables from which this report is derived. A complete description of the validation process is described in Chapter 2 of the revised 1977-78 Comprehensive Validation Guide.

2.3: APPROACH TO DATA ANALYSIS

The appropriate analytical techniques for the Institution Referral Study were simple descriptive statistics such as univariate and joint frequency distributions. Distributions were presented as absolute and/or relative frequencies depending on the purpose for which data are presented. In addition, means and standard deviations were developed for dependent variables that were interval in nature if these statistics were informative. Exhibit A presents an explanation of the table format in which data are presented.

No inferential statistics were generated. It should also be noted that because of the non-random sample selection process and small sample size, population projections based upon study results are not statistically justifiable. This does not, however negate the value of study results for identifying areas of the Basic Grant Program which could be modified to reduce potential program abuse and to improve the manner in which the program is managed.

Variables investigated were those directly relevant to the basic study objectives presented in the introduction to this report. That is, only those variables providing information relative to 1) the degree of actual and potential program abuse; 2) the characteristics of applicants likely to misreport data; and 3) procedures for screening and correcting erroneous applications were developed in the tables which follow. These variables are as follows.

Independent Variables

The first category of independent variables for analysis comprised institution variables. It was felt that Basic Grant application misreporting may vary as a function of the type of institution an applicant attended. The two characteristics of institutions addressed in this study are:

EXHIBIT A

EXPLANATION OF TABULAR PRESENTATION OF STUDY FINDINGS: PERCENTAGE OF CASES

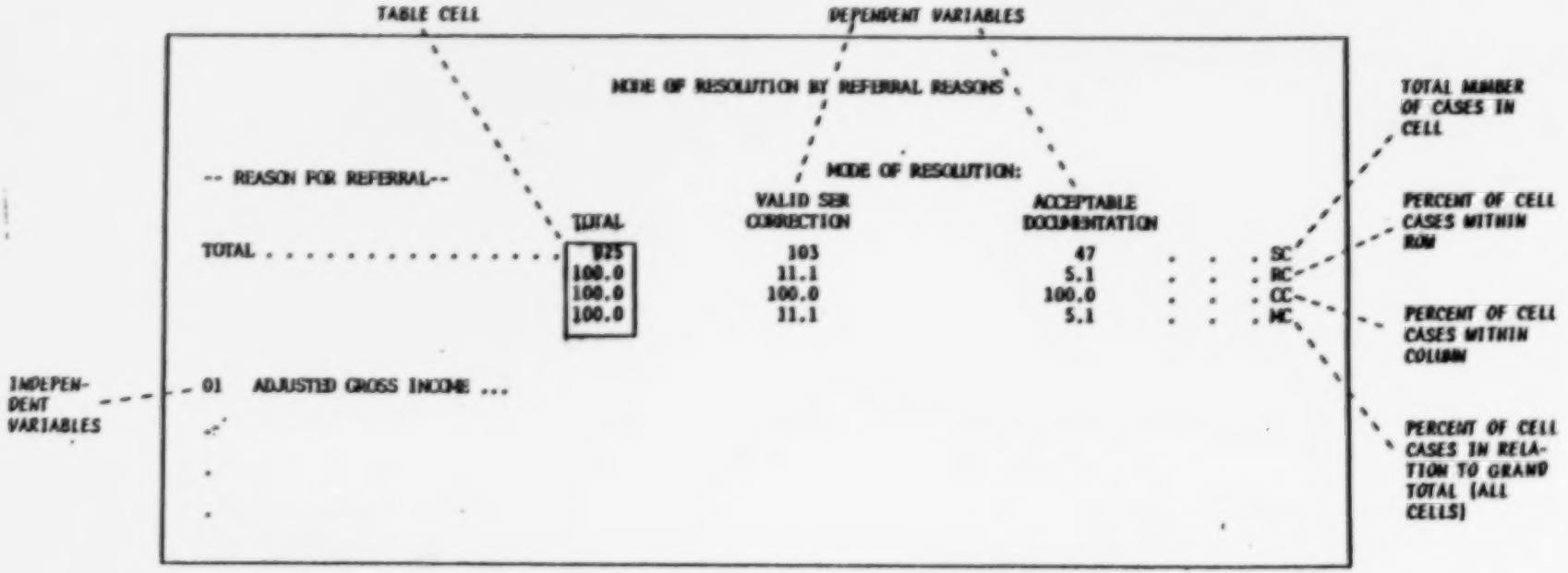


TABLE CELL
DEPENDENT VARIABLES
MODE OF RESOLUTION BY REFERRAL REASONS
TOTAL NUMBER OF CASES IN CELL
-- REASON FOR REFERRAL--
MODE OF RESOLUTION:
VALID SER CORRECTION
ACCEPTABLE DOCUMENTATION
TOTAL
PERCENT OF CELL CASES WITHIN ROW
TOTAL . . . . . 925 103 47 . . . SC
100.0 11.1 5.1 . . . RC
100.0 100.0 100.0 . . . CC
100.0 11.1 5.1 . . . MC
PERCENT OF CELL CASES WITHIN COLUMN
INDEPENDENT VARIABLES
01 ADJUSTED GROSS INCOME ...
PERCENT OF CELL CASES IN RELATION TO GRAND TOTAL (ALL CELLS)

EXHIBIT A.(continued)

EXPLANATION OF TABULAR PRESENTATION OF STUDY FINDINGS:
MEANS AND PERCENTAGE OF TRANSACTIONS

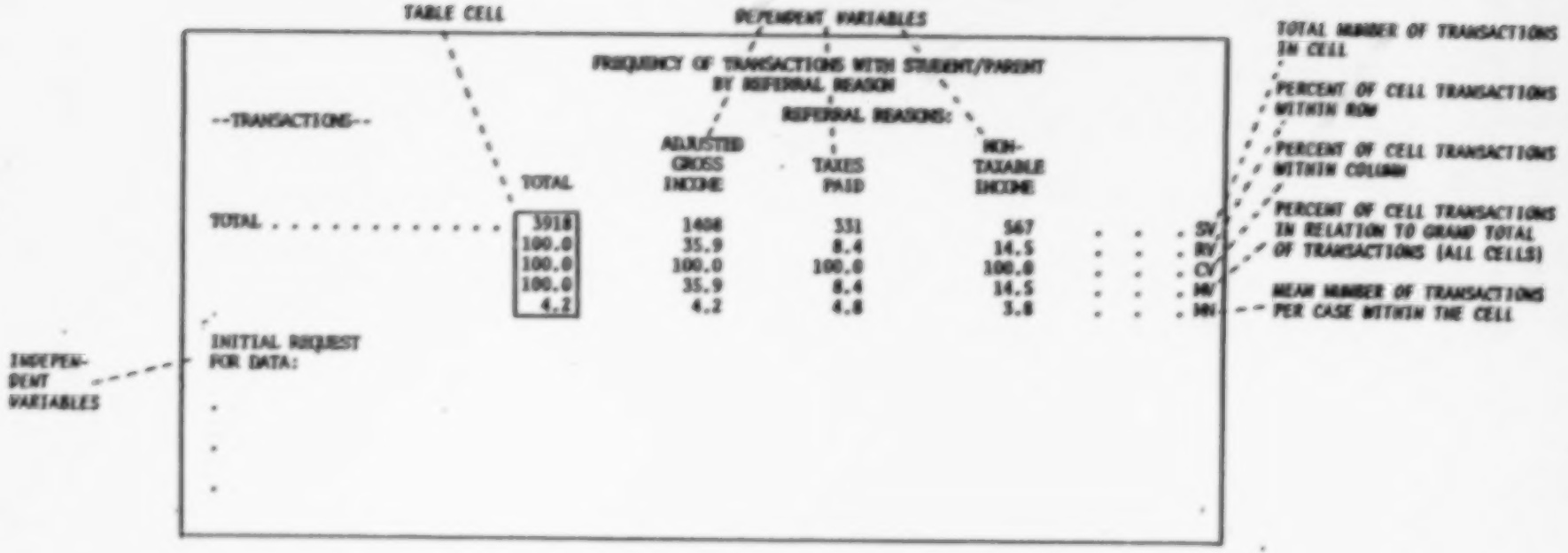


TABLE CELL
DEPENDENT VARIABLES
FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASON
REFERRAL REASONS:
--TRANSACTIONS--
TOTAL
ADJUSTED GROSS INCOME
TAXES PAID
NON-TAXABLE INCOME
TOTAL . . . . . 3918 1408 331 567 . . . SV
100.0 35.9 8.4 14.5 . . . RV
100.0 100.0 100.0 100.0 . . . CV
100.0 35.9 8.4 14.5 . . . MV
4.2 4.2 4.8 3.8 . . . MN
INDEPENDENT VARIABLES
INITIAL REQUEST FOR DATA:
TOTAL NUMBER OF TRANSACTIONS IN CELL
PERCENT OF CELL TRANSACTIONS WITHIN ROW
PERCENT OF CELL TRANSACTIONS WITHIN COLUMN
PERCENT OF CELL TRANSACTIONS IN RELATION TO GRAND TOTAL OF TRANSACTIONS (ALL CELLS)
MEAN NUMBER OF TRANSACTIONS PER CASE WITHIN THE CELL

- institution size
  - _ enrollment of less than 1,000 students
  - _ enrollment between 1,000 and 5,000
  - _ enrollment over 5,000 students
- institution control
  - _ public institutions
  - _ private institutions
  - _ private proprietary institutions

Another variable was the type of documentation used by financial aid officers to support allegations of SER discrepancies:

- supporting documentation
  - _ Federal Tax Form
  - _ Educational Testing Service's Parent Confidential Statement
  - _ American College Testing Program's Financial Need Statement
  - _ Institution Need Analysis Form
  - _ State Tax Form
  - _ Affidavit of Nonsupport
  - _ State Scholarship Commission audit
  - _ Statement of Non-Taxable Income
  - _ Veteran's Educational Benefits Statement
  - _ Visa/Non-Citizenship Documentation
  - _ Transcript
  - _ Other Formal Documentation
  - _ Zero Income: No Documentation
  - _ Other: No Formal Documentation
  - _ Conversation with Student/Parent
  - _ Conversation with Institution/Third Party
  - _ Admission application
  - _ No Documentation (Formal or Informal)
  - _ Other: Not Elsewhere Classified

This variable is important because identification of those sources of information most useful in determining valid SER errors may improve future Basic Grant application verification at the institutional level.

In addition to these three variable categories, three variables were selected which related to the personal and financial circumstances of the applicants:

- student's filing status
  - dependent students
  - independent students
- income level (annual income)
  - less than $1501
  - between $1501 and $4000
  - between $4001 and $7500
  - between $7501 and $10,000
  - between $10,001 and $12,000
  - between $12,001 and $15,000
  - greater than $15,000
- application year in which suspected error occurred
  - 1976-77
  - 1977-78
  - other

The final independent variable considered in the Institution Referral Study is the mode of case resolution. This variable is critical in that it describes the incidence of confirmed SER misreporting, and is also useful in establishing the type of alleged discrepancies amenable to validation through procedures utilized in this study:

- resolution mode
  - student submitted valid SER correction (which was processed)
  - student submitted valid documentation of SER data

- resolved by Office of Education decision
- unable to contact student/parent
- total non-response
- student failed to respond to additional request
- student submitted unacceptable response
- student did not use grant
- student submitted valid SER correction (which was not yet processed)

Dependent Variables

There are basically three dependent variables addressed in the Institution Referral Study. The first is the type of reported discrepancy (i.e., reason for referral). Frequently reported discrepancies were identical to actual errors (the second dependent variable), but this was not always true. Therefore, tables are presented separately for each variable type. Categories include the following:

- reported discrepancies
  - errors in reported adjusted gross income
  - errors in reported taxes paid
  - errors in reported non-taxable income
  - reported zero/low income
  - errors in reported dependency status
  - errors in reported assets/savings
  - errors in reported citizenship or immigration status
  - errors in number of family members reportedly attending postsecondary schools
  - errors in reported household size
  - inconsistency between household size and post-high school enrollment
  - errors in reported Veteran's educational benefits
  - errors in reported medical/dental expenses
  - enrollment in postsecondary schools prior to April, 1973

- unknown discrepancy
- errors in reported applicant identification
- errors not elsewhere classified

• actual discrepancies
- total adjusted gross income misreported
- taxes paid misreported
- dependency status misreported
- assets misreported
- citizenship/immigration status misreported
- non-taxable income misreported
- portions of adjusted gross income earned by applicant/father and spouse/mother misreported
- number of family members enrolled in postsecondary institutions misreported
- household size misreported
- Veteran's Educational Benefits misreported
- unusual expenses misreported
- applicant savings misreported
- postsecondary enrollment status prior to April, 1973 misreported
- other data elements misreported
- unknown errors
- no errors

The reason for the differences in variable categories between reported and actual discrepancies is that reported discrepancy categories were developed on a priori assumptions about misreporting the validation contractor was likely to encounter. Actual discrepancies, however, were developed to 1) reflect actual reporting problems that could give rise to specific policy recommendations and 2) to be comparable with discrepancy categories established for the Pre-established Criteria Study (Chapter 3).

Finally, the extent to which corrections to SERs resulted in changes to Student Eligibility Indices is the third major dependent variable. Absolute SEI change is defined as the simple difference between an applicant's final SEI and initial SEI, where a positive value indicates an increase in the SEI as a result of validation

which, in turn, represents a decreased award amount. Effective SEI change is the difference between the initial and final SEI figures that has an impact on award amount. To compute effective SEI change, both values are maximized at 1200, the maximum SEI that indicated eligibility for an award. For example, the difference between a final SEI of 1500 and initial SEI of 1000 represents an absolute change of 500 points but an effective change of only 200 points. In some analyses, SEI change is treated as an interval variable; for selected other comparisons it is categorized as follows:

- SEI change
  - more than 600
  - between 501 and 600
  - between 401 and 500
  - between 301 and 400
  - between 201 and 300
  - between 101 and 200
  - between 1 and 100
  - no change
  - between -1 and -100
  - between -101 and -200
  - between -201 and -300
  - between -301 and -400
  - between -401 and -500
  - between -501 and -600
  - less than -600

2.4: INSTITUTION REFERRAL STUDY RESULTS

This section presents the findings and results of the Institution Referral Study. The following text is divided into several subsections, each of which describes a key area in the analysis of study data, along with the student and institutional characteristics associated with differential results (if any). The key topics are: reported discrepancies (reasons for referral), mode of case resolution, confirmed discrepancies, the impact of the validation process on Student Eligibility Indices, the impact of the validation process on changes to individual Student Eligibility Report entries, and types of documentation used to support case referrals.

Reported Discrepancies

Validation procedures were initiated for a total of 925 cases which were referred to the validation contractor for resolution of potential errors during the 1977-78 academic year. The majority of these referrals, 800, were made by institutions, and the other 125 cases were referred by the Office of Education. Of this group of referred cases, 471 were successfully resolved by June 30, 1978, in time for inclusion in this report.

Table 2.1 presents the suspected discrepancies (reasons for referral) for the 925 referral cases, as well as the actual discrepancies (confirmed errors) identified as a result of the validation process. It should be noted that a case (student) may have been referred for more than one reason, in which instance the case will be counted in more than one row. In a similar manner, a case may have contained more than one confirmed discrepancy.

Overall, adjusted gross income and dependency status discrepancies represented over half of all referral reasons (36.4% and 21.6%, respectively, of the 925 referred cases contained a suspected discrepancy in these areas). Non-taxable income and zero/low income suspected errors also represented sizable numbers of referral

TABLE 2.1

DISTRIBUTION OF REFERRAL REASONS BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS)
ACTUAL DISCREPANCIES:

--- REASON FOR REFERRAL ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZENSHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
TOTAL	925	102	81	31	30	2	68	111	SC
	100.0	11.0	8.8	3.4	3.2	0.2	7.4	12.0	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	11.0	8.8	3.4	3.2	0.2	7.4	12.0	HC
01 ADJUSTED GROSS INCOME	337	62	50	3	5		14	68	SC
	100.0	18.4	14.8	0.9	1.5		4.2	19.3	HC
	36.4	60.8	61.7	9.7	16.7		20.6	58.6	CC
	36.4	6.7	5.4	0.3	0.5		1.5	7.8	HC
02 TAXES PAID	69	11	15		1		2	12	SC
	100.0	15.9	21.7		1.4		2.9	17.4	HC
	7.5	10.8	18.5		3.3		2.9	10.8	CC
	7.5	1.2	1.6		0.1		0.2	1.3	HC
03 NON-TAXABLE INCOME	151	7	6	4	4		32	6	SC
	100.0	4.6	4.0	2.6	2.6		21.2	4.0	HC
	16.3	6.9	7.4	12.9	13.3		47.1	5.4	CC
	16.3	0.8	0.6	0.4	0.4		3.5	0.6	HC
04 ZERO/LOW INCOME	113	6	4	3	3		10	5	SC
	100.0	5.3	3.5	2.7	2.7		8.8	4.4	HC
	12.2	5.9	4.9	9.7	10.0		14.7	4.5	CC
	12.2	0.6	0.4	0.3	0.3		1.1	0.5	HC
05 DEPENDENCY STATUS	200	27	20	26	11		10	33	SC
	100.0	13.5	10.0	13.0	5.5		5.0	16.5	HC
	21.6	26.5	24.7	83.9	36.7		14.7	29.7	CC
	21.6	2.9	2.2	2.8	1.2		1.1	3.6	HC
06 ASSETS/SAVINGS	43	1		1	8		1	1	SC
	100.0	2.3		2.3	18.6		2.3	2.3	HC
	4.6	1.0		3.2	26.7		1.5	0.9	CC
	4.6	0.1		0.1	0.9		0.1	0.1	HC
07 CITIZENSHIP	19					2			SC
	100.0					10.5			HC
	2.1					100.0			CC
	2.1					0.2			HC
08 POST HIGH ENROLLMENT	21	4	4		2		3	3	SC
	100.0	19.0	19.0		9.5		14.3	14.3	HC
	2.3	3.9	4.9		6.7		4.4	2.7	CC
	2.3	0.4	0.4		0.2		0.3	0.3	HC
09 HOUSEHOLD SIZE	46	4	3	1	2		2	3	SC
	100.0	8.7	6.5	2.2	4.3		4.3	6.5	HC
	5.0	3.9	3.7	3.2	10.0		2.9	2.7	CC
	5.0	0.4	0.3	0.1	0.3		0.2	0.3	HC

07/27/78 -1- PREPARED BY APPLIED MANAGEMENT SCIENCES

2.16

BEST COPY AVAILABLE

TABLE 2.1

DISTRIBUTION OF REFERRAL REASONS BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS) - CONT.
ACTUAL DISCREPANCIES

--- REASON FOR REFERRAL ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL	925	33	49	15	16	1	2	34	272	5	454	SC
	100.0	3.6	5.3	1.6	1.7	0.1	0.2	3.7	29.4	0.5	49.1	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	3.6	5.3	1.6	1.7	0.1	0.2	3.7	29.4	0.5	49.1	MC
01 ADJUSTED GROSS INCOME	337	6	13		9			13	83	1	177	SC
	100.0	1.8	3.9		2.7			3.9	24.6	0.3	52.5	MC
	36.4	18.2	26.5		56.3			38.2	30.5	20.0	39.0	CC
	36.4	0.6	1.4		1.0			1.4	9.0	0.1	19.1	MC
02 TAXES PAID	69	3	1		1			4	28		24	SC
	100.0	4.3	1.4		1.4			5.8	40.6		34.8	MC
	7.5	9.1	2.0		6.3			11.8	10.3		5.3	CC
	7.5	0.3	0.1		0.1			0.4	3.0		2.6	MC
03 NON-TAXABLE INCOME	151	5	6	3	2			1	26		88	SC
	100.0	3.3	4.0	2.0	1.3			0.7	17.2		58.3	MC
	16.3	15.2	12.2	20.0	12.5			2.9	9.6		19.4	CC
	16.3	0.5	0.6	0.3	0.2			0.1	2.8		9.5	MC
04 ZERO/LOW INCOME	113	2	3	1				4	52		48	SC
	100.0	1.8	2.7	0.9				3.5	46.0		42.5	MC
	12.2	6.1	6.1	6.7				11.8	19.1		10.6	CC
	12.2	0.2	0.3	0.1				0.4	5.6		5.2	MC
05 DEPENDENCY STATUS	200	15	22		2			12	63	3	102	SC
	100.0	7.5	11.0		1.0			6.0	31.5	1.5	51.0	MC
	21.6	45.5	44.9		12.5			35.3	23.2	60.0	22.5	CC
	21.6	1.6	2.4		0.2			1.3	6.8	0.3	11.0	MC
06 ASSETS/SAVINGS	43	1			2			1	11		21	SC
	100.0	2.3			4.7			2.3	25.6		48.8	MC
	4.6	3.0			12.5			2.9	4.0		4.6	CC
	4.6	0.1			0.2			0.1	1.2		2.3	MC
07 CITIZENSHIP	19								8		9	SC
	100.0								42.1		47.4	MC
	2.1								2.9		2.0	CC
	2.1								0.9		1.0	MC
08 POST HIGH ENROLLMENT	21	4	1		2			2	4		7	SC
	100.0	19.0	4.8		9.5			9.5	19.0		33.3	MC
	2.3	12.1	2.0		12.5			5.9	1.5		1.5	CC
	2.3	0.4	0.1		0.2			0.2	0.4		0.8	MC
09 HOUSEHOLD SIZE	46	2	4	1	1	1		5	10		27	SC
	100.0	4.3	8.7	2.2	2.2	2.2		10.9	21.7		58.7	MC
	5.0	6.1	8.2	6.7	6.3	100.0		14.7	3.7		5.9	CC
	5.0	0.2	0.4	0.1	0.1	0.1		0.5	1.1		2.9	MC

2.17

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 2.1

DISTRIBUTION OF REFERRAL REASONS BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS)
ACTUAL DISCREPANCIES)

--- REASON FOR REFERRAL ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (82)	ASSETS (21)	CITIZEN-SHIP (81)	NON-TAXABLE INCOME (08,09 10,11)	POINTIONS EARNED (14,15)	
10 HS AND PHE.....	13	2	2	1			1	2	SC
	100.0	15.4	15.4	7.7			7.7	15.4	HC
	1.4	2.0	2.5	3.2			1.5	1.8	CC
	1.4	0.2	0.2	0.1			0.1	0.2	HC
11 VETERAN'S BENEFITS.....	27						1		SC
	100.0						3.7		HC
	2.9						1.5		CC
	2.9						0.1		HC
12 MEDICAL/DENTAL.....	19	3	3					3	SC
	100.0	15.8	15.8					15.8	HC
	2.1	2.9	3.7					2.7	CC
	2.1	0.3	0.4					0.3	HC
13 PRIOR ENHOLLMENT.....	3								SC
	100.0								HC
	0.3								CC
	0.3								HC
14 MORE THAN 3 DISCHEPANCIES..	10	2	2		1			1	SC
	100.0	20.0	20.0		10.0			10.0	HC
	1.1	2.0	2.5		3.3			0.9	CC
	1.1	0.2	0.2		0.1			0.1	HC
15 UNKNOWN.....	23	3	4				3	3	SC
	100.0	13.0	17.4				13.0	13.0	HC
	2.5	2.9	4.9				4.4	2.7	CC
	2.5	0.3	0.4				0.3	0.3	HC
16 IDENTIFICATION.....	1								SC
	100.0								HC
	0.1								CC
	0.1								HC
17 NEC.....	47	7	2		4		5	6	SC
	100.0	14.9	4.3		8.5		10.6	12.8	HC
	5.1	6.9	2.5		10.0		7.4	5.4	CC
	5.1	0.8	0.2		0.4		0.5	0.6	HC

NOTE: CELL (1,1),THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE;
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 2.1

DISTRIBUTION OF REFERRAL REASONS BY ACTUAL DISCREPANCIES (INSTITUTION AND UE REFERRALS) - CONT.
ACTUAL DISCREPANCIES:

--- REASON FOR REFERRAL ---	TOTAL	POST HIGH (85.86 87)	HOUSE-HOLD SIZE (86)	VET'S BENE-FITS (23)	UN-USUAL CAPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.83 28.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
10 MS AND PHE.....	13	3	2	1				1	2		6	SC
	100.0	23.1	15.4	7.7				7.7	15.4		46.2	HC
	1.4	9.1	4.1	6.7				2.9	8.7		1.3	CC
	1.4	0.3	0.2	0.1				0.1	0.2		0.6	MC
11 VETERAN'S BENEFITS.....	27			11				1	7		9	SC
	100.0			40.7				3.7	25.9		33.3	HC
	2.9			73.3				2.9	2.6		2.0	CC
	2.9			1.2				0.1	0.8		1.0	MC
12 MEDICAL/DENTAL.....	19	1			3			1	11		3	SC
	100.0	5.3			15.8			5.3	57.9		15.8	HC
	2.1	3.0			18.8			2.9	4.0		0.7	CC
	2.1	0.1			0.3			0.1	1.2		0.3	MC
13 PRIOR ENROLLMENT.....	3						2			1		SC
	100.0						66.7			33.3		HC
	0.3						100.0			20.0		CC
	0.3						0.2			0.1		MC
14 MORE THAN 3 DISCREPANCIES..	10				1			1	4		3	SC
	100.0				10.0			10.0	40.0		30.0	HC
	1.1				6.3			2.9	1.5		0.7	CC
	1.1				0.1			0.1	0.4		0.3	MC
15 UNKNOWN.....	23								8		10	SC
	100.0								34.8		43.5	HC
	2.5								2.9		2.2	CC
	2.5								0.9		1.1	MC
16 IDENTIFICATION.....	1								1			SC
	100.0								100.0			HC
	0.1								0.4			CC
	0.1								0.1			MC
17 MEC.....	47	1	5					2	17		20	SC
	100.0	2.1	10.6					4.3	36.2		42.6	HC
	5.1	3.0	10.2					5.9	6.3		4.4	CC
	5.1	0.1	0.9					0.2	1.8		2.2	MC

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE!
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

2.19

reasons (16.3% and 12.2%, respectively). These are "duplicated" figures in that a case referred for a potential discrepancy may also have had a suspected error in another area as well. It is interesting to note that suspected adjusted gross income errors accounted for the largest number of institutional referral cases in 1976-77 as well (39.5%).

As Table 2.1 also indicates, almost half (49.1%) of the cases were not yet resolved at the time of this report preparation. Furthermore, for 194 of the 925 cases (21.0%), one or more actual discrepancies were identified in the SER. The remaining 277 cases were resolved for reasons that did not involve identification and/or correction of an SER error (see following section for more detail on closure reasons). In terms of discrepancies which were confirmed, actual portions earned and adjusted gross income discrepancies accounted for the largest proportion of the errors (they were identified in 12.0% and 11.0%, respectively, of the 925 referred cases) while taxes paid and non-taxable income errors also represented a significant number of confirmed discrepancies (identified in 8.8% and 7.4%, respectively, of the 925 cases). In general, there were fewer confirmed errors in each of the discrepancy categories than there were suspected errors, but this may be due, at least in part, to the large number of yet unresolved cases. Taxes paid, post high enrollment, and household size actual discrepancies exceeded suspected discrepancies by a small amount, however. Generally, one-quarter or less of the cases that were referred for a given reason were determined to contain a confirmed error in that area. The exception to this trend is veteran's educational benefits; 40.7 percent of the cases referred for suspected veteran's educational benefits errors had a confirmed discrepancy in that area.

As Table 2.2 indicates, the majority of referred cases (69.7%) consisted of students in public institutions, and almost all of these cases were referred by the institutions themselves. Students at private non-profit schools comprised 9.2 percent of the referrals and proprietary school students comprised 9.1 percent. In terms of

TABLE 2.2

DISTRIBUTION OF REFERRAL REASONS BY TYPE OF INSTITUTION CONTROL (INSTITUTION AND OE REFERRALS)

--- REASON FOR REFERRAL ---	GRAND TOTAL	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN		
		INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	
TOTAL	925	800	125	619	26	82	3	81	3	18	93	SC
	100.0	86.5	13.5	66.9	2.8	8.9	0.3	8.8	0.3	1.9	10.1	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	86.5	13.5	66.9	2.8	8.9	0.3	8.8	0.3	1.9	10.1	MC
01 ADJUSTED GROSS INCOME	337	314	23	270	3	30	2	11		3	16	SC
	100.0	93.2	6.8	80.1	1.3	8.9	0.6	3.3		0.9	4.7	MC
	36.4	39.3	18.4	43.6	11.5	36.6	66.7	13.6		16.7	17.2	CC
	36.4	33.9	2.5	29.2	0.3	3.2	0.2	1.2		0.3	1.7	MC
02 TAXES PAID	69	67	2	60		4		3			2	SC
	100.0	97.1	2.9	87.0		5.8		4.3			2.9	MC
	7.5	8.4	1.6	9.7		4.9		3.7			2.2	CC
	7.5	7.2	0.2	6.5		0.4		0.3			0.2	MC
03 NON-TAXABLE INCOME	151	119	32	99	6	12	1	6	1	2	24	SC
	100.0	78.8	21.2	65.6	4.0	7.9	0.7	4.0	0.7	1.3	15.9	MC
	16.3	14.9	25.6	16.0	23.1	14.6	33.3	7.4	33.3	11.1	25.8	CC
	16.3	12.9	3.5	10.7	0.6	1.3	0.1	0.6	0.1	0.2	2.6	MC
04 ZERO/LOW INCOME	113	108	5	62	1	12		51		3	4	SC
	100.0	95.6	4.4	37.2	0.9	10.6		45.1		2.7	3.5	MC
	12.2	13.5	4.0	6.8	3.8	14.6		63.0		16.7	4.3	CC
	12.2	11.7	0.5	4.5	0.1	1.3		5.5		0.3	0.4	MC
05 DEPENDENCY STATUS	200	182	18	151	1	22		8		1	17	SC
	100.0	91.0	9.0	75.5	0.5	11.0		4.0		0.5	8.5	MC
	21.6	22.8	14.4	24.4	3.8	26.8		9.9		5.6	18.3	CC
	21.6	19.7	1.9	16.3	0.1	2.4		0.9		0.1	1.8	MC
06 ASSETS/SAVINGS	43	34	9	26	3	8			2		4	SC
	100.0	79.1	20.9	60.5	7.0	18.6			4.7		9.3	MC
	4.6	4.3	7.2	4.2	11.5	9.8			66.7		4.3	CC
	4.6	3.7	1.0	2.8	0.3	0.9			0.2		0.4	MC
07 CITIZENSHIP	19	18	1	7		3		2		6	1	SC
	100.0	94.7	5.3	36.8		15.8		10.5		31.6	5.3	MC
	2.1	2.3	0.8	1.1		3.7		2.5		33.3	1.1	CC
	2.1	1.9	0.1	0.8		0.3		0.2		0.6	0.1	MC
08 POST HIGH ENROLLMENT	21	17	4	15	2	2					2	SC
	100.0	81.0	19.0	71.4	9.5	9.5					9.5	MC
	2.3	2.1	3.2	2.4	7.7	2.4					2.2	CC
	2.3	1.8	0.4	1.6	0.2	0.2					0.2	MC
09 HOUSEHOLD SIZE	46	32	14	27	4	3		1		1	10	SC
	100.0	69.6	30.4	58.7	8.7	6.5		2.2		2.2	21.7	MC
	5.0	4.0	11.2	4.4	15.4	3.7		1.2		5.6	10.8	CC
	5.0	3.5	1.5	2.9	0.4	0.3		0.1		0.1	1.1	MC

BEST COPY AVAILABLE

TABLE 2.2

DISTRIBUTION OF REFERRAL REASONS BY TYPE OF INSTITUTION CONTROL (INSTITUTION AND OE REFERRALS)

--- REASON FOR REFERRAL ---	GRAND TOTAL	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN		
		*** INSTITUTION CONTROL ***										
		INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	
10 HS AND PHE.....	13	10	3	8	4			2			1	SC
	100.0	76.9	23.1	61.5	30.8			15.4			7.7	MC
	1.4	1.3	2.4	1.3	7.7			2.5			1.1	CC
	1.4	1.1	0.3	0.9	0.2			0.2			0.1	MC
11 VETERAN'S BENEFITS.....	27	27		25		1		1				
	100.0	100.0		92.6		3.7		3.7				SC
	2.9	3.4		4.0		1.2		1.2				MC
	2.9	2.9		2.7		0.1		0.1				CC
												MC
12 MEDICAL/DENTAL.....	19	17	2	15		1		1			2	
	100.0	89.5	10.5	78.9		5.3		5.3			10.5	SC
	2.1	2.1	1.6	2.4		1.2		1.2			2.2	MC
	2.1	1.8	0.2	1.6		0.1		0.1			0.2	CC
												MC
13 PRIOR ENROLLMENT.....	3	3		2		1						
	100.0	100.0		66.7		33.3						SC
	0.3	0.4		0.3		1.2						RC
	0.3	0.3		0.2		0.1						CC
												MC
14 MORE THAN 3 DISCREPANCIES..	10	10		9		1						
	100.0	100.0		90.0		10.0						SC
	1.1	1.3		1.5		1.2						MC
	1.1	1.1		1.0		0.1						CC
												MC
15 UNKNOWN.....	23	4	19	2	6					2	13	SC
	100.0	17.4	82.6	8.7	26.1					8.7	56.5	MC
	2.5	0.8	15.2	0.3	23.1					11.1	14.0	CC
	2.5	0.4	2.1	0.2	0.6					0.2	1.4	MC
16 IDENTIFICATION.....	1		1		1							
	100.0		100.0		100.0							SC
	0.1		0.8		3.8							MC
	0.1		0.1		0.1							CC
												MC
17 NEC.....	47	36	13	21	3	6	1	7			9	
	100.0	72.3	27.7	44.7	6.4	12.8	2.1	14.9			19.1	SC
	5.1	4.3	10.4	3.4	11.5	7.3	33.3	8.6			9.7	MC
	5.1	3.7	1.6	2.3	0.3	0.6	0.1	0.8			1.0	CC
												MC

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

the distribution of referral reasons by institution control, the proportions of cases within each school type referred for a given reason are fairly constant across school types, with the following exceptions. Referrals for suspected adjusted gross income errors accounted for a disproportionately high number of all institution referrals for public and private non-profit schools (43.6% and 36.6%, respectively, compared to less than 20% for proprietary and unknown schools). Zero/low income referrals accounted for a disproportionately high number of all referrals for proprietary schools (63.0% compared to the overall figure of 13.5%).

Regardless of control, students at large schools[1/] accounted for almost half (46.0%) of all referred cases, and students at moderately sized schools[2/] accounted for an additional 31.2 percent of the referrals. The distribution of referral reasons within school size categories is similar across categories, except that large schools referred a disproportionately high number of cases for suspected taxes paid errors (12.7% compared to an overall average of 8.4%), and schools of unknown size referred a disproportionately high number of cases for suspected citizenship errors (17.4% compared to an overall figure of 2.3%).

Mode of Case Resolution

As previously mentioned, 471 of the 925 referred cases (50.9%) were resolved at the time this report was prepared. Each of the 471 resolutions was achieved in one of the following manners:

- submission of a valid correction to his/her Student Eligibility Report (with completion of SER reprocessing)
- submission of documentation reaffirming the validity of application data
- resolution through a policy decision by the Office of Education staff

[1/] With enrollments of more than 5000 students.

[2/] With enrollments between 1001 and 5000 students.

- inability to contact the student or his/her parents (mail returned "addressee unknown," or "moved, left no forwarding address")
- total non-response to all communications
- non-response to additional information requests
- submission of unacceptable response to additional information request
- non-use of Basic Grant Award
- Submission of a valid correction to his/her Student Eligibility Report (although SER correction not processed as of the time of report preparation)

Upon receipt of case referrals, the students' names and social security numbers were forwarded to the application processing contractor and their applications were placed on hold. Applicants were not released from hold until their cases were resolved by a valid SER correction, acceptable documentation or an OE policy decision. Any future applications sent to the processing contractor for those students who remain on hold will not be processed until potential 1977-78 SER discrepancies are resolved with the validation contractor.

The modes of resolution for all 925 referred cases are displayed in Table 2.3 by referral reason. Across all referral reasons, valid SER corrections (processed and unprocessed) accounted for the largest number of resolutions (21.0%), followed by total non-response (12.6%). These two closure modes accounted for the largest proportion of case resolutions in the 1976-77 processing year as well (35.4% and 14.5% of all referred cases, respectively). While the proportion of referred cases which were closed due to non-response is constant over the two-year period, there was a decrease of 15 percent in the proportion of resolved cases closed due to valid SER corrections in 1977-78 as compared to 1976-77. The following text table summarizes these across year comparisons.

TABLE 2.3

MODE OF CASE RESOLUTION BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- REASON FOR REFERRAL ---	TOTAL	MODE OF RESOLUTION: VALID SER CORRECTION	ACCEPTABLE DOCUMENTATION	OE RESOLUTION	UNABLE TO CONTACT-STUDENT/PAR	TOTAL NON RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SER CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
TOTAL	925	103	47	3	38	117	48	22	10	91	456	SC
	100.0	11.1	5.1	0.3	3.2	12.6	5.2	2.4	1.1	9.8	49.1	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	11.1	5.1	0.3	3.2	12.6	5.2	2.4	1.1	9.8	49.1	NC
01 ADJUSTED GROSS INCOME	337	38	19	1	4	34	15	10	1	38	177	SC
	100.0	11.3	5.6	0.3	1.2	10.1	4.5	3.0	0.3	11.3	52.5	RC
	36.4	36.9	40.4	33.3	10.5	29.1	31.3	45.5	10.0	41.8	39.0	CC
	36.4	4.1	2.1	0.1	0.4	3.7	1.6	1.1	0.1	4.1	19.1	NC
02 TAXES PAID	69	11	1		2	8	11	5		7	24	SC
	100.0	15.9	1.4		2.9	11.6	15.9	7.2		10.1	34.8	RC
	7.5	10.7	2.1		6.7	6.8	22.9	22.7		7.7	5.3	CC
	7.5	1.2	0.1		0.2	0.9	1.2	0.5		0.8	2.6	NC
03 NON-TAXABLE INCOME	151	19	4		1	11	8	2	2	17	88	SC
	100.0	12.6	2.6		0.7	7.3	5.3	1.3	1.3	11.3	58.3	RC
	16.3	18.4	8.6		3.3	9.4	16.7	9.1	20.0	18.7	19.4	CC
	16.3	2.1	0.3		0.1	1.2	0.9	0.2	0.2	1.8	9.5	NC
04 ZERO/LOW INCOME	113	18	1		6	29	12	4		3	48	SC
	100.0	8.8	0.9		5.3	25.7	10.6	3.5		2.7	42.5	RC
	12.2	9.7	2.1		20.9	24.8	25.0	18.2		3.3	10.6	CC
	12.2	1.1	0.1		0.6	3.1	1.3	0.4		0.3	5.2	NC
05 DEPENDENCY STATUS	200	18	14	1	9	22	10	6	5	15	102	SC
	100.0	9.0	6.0	0.5	4.5	11.0	5.0	3.0	2.5	7.5	51.0	RC
	21.6	17.5	25.5	33.3	30.0	18.8	20.8	27.3	50.0	16.5	22.5	CC
	21.6	1.9	1.3	0.1	1.0	2.4	1.1	0.6	0.5	1.6	11.0	NC
06 ASSETS/SAVINGS	43	5	2			6	2		1	6	21	SC
	100.0	11.6	4.7			14.0	4.7		2.3	14.0	48.8	RC
	4.6	4.9	4.3			5.1	4.2		10.0	6.6	4.6	CC
	4.6	0.5	0.2			0.6	0.2		0.1	0.6	2.3	NC
07 CITIZENSHIP	19	1	2		3	3				1	9	SC
	100.0	5.3	10.5		15.8	15.8				5.3	47.4	RC
	2.1	1.0	4.3		10.0	2.6				1.1	2.0	CC
	2.1	0.1	0.2		0.3	0.3				0.1	1.0	NC
08 POST HIGH ENROLLMENT	21	8	1			3				2	7	SC
	100.0	38.1	4.8			14.3				9.5	33.3	RC
	2.3	7.8	2.1			2.6				2.2	1.5	CC
	2.3	0.9	0.1			0.3				0.2	0.8	NC
09 HOUSEHOLD SIZE	46	4	1		1	5	2	1		5	27	SC
	100.0	8.7	2.2		2.2	10.9	4.3	2.2		10.9	58.7	RC
	5.0	3.9	2.1		3.3	4.3	4.2	4.5		5.5	5.9	CC
	5.0	0.4	0.1		0.1	0.5	0.2	0.1		0.5	2.9	NC

BEST COPY AVAILABLE

TABLE 2.3

MODE OF CASE RESOLUTION BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
MODE OF RESOLUTION:

--- REASON FOR REFERRAL ---	TOTAL	VALID SER CORRECTION	ACCEPTABLE DOCUMENTATION	OE RESOLUTION	UNABLE TO CONTACT STUDENT/PAR	TOTAL NON RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SER CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
10 HS AND PHE.....	13	1				1	1			4	6	SC
	100.0	7.7				7.7	7.7			30.8	46.2	HC
	1.4	1.0				0.9	2.1			4.4	1.3	CC
	1.4	0.1				0.1	0.1			0.4	0.6	MC
11 VETERAN'S BENEFITS.....	27	9	1		2	3		1		2	9	SC
	100.0	33.3	3.7		7.4	11.1		3.7		7.4	33.3	HC
	2.9	8.7	2.1		6.7	2.6		4.5		2.2	2.0	CC
	2.9	1.0	0.1		0.2	0.3		0.1		0.2	1.0	MC
12 MEDICAL/DENTAL.....	19	4	2			2	4	2		2	3	SC
	100.0	21.1	10.5			10.5	21.1	10.5		10.5	15.8	HC
	2.1	3.9	4.3			1.7	8.3	9.1		2.2	0.7	CC
	2.1	0.4	0.2			0.2	0.4	0.2		0.2	0.3	MC
13 PRIOR ENROLLMENT.....	3			1						2		SC
	100.0			33.3						66.7		HC
	0.3			33.3						2.2		CC
	0.3			0.1						0.2		MC
14 MORE THAN 3 DISCREPANCIES..	10	3				1	1	2			3	SC
	100.0	30.0				10.0	10.0	20.0			30.0	HC
	1.1	2.9				0.9	2.1	9.1			0.7	CC
	1.1	0.3				0.1	0.1	0.2			0.3	MC
15 UNKNOWN.....	23	4			4	4				1	10	SC
	100.0	17.4			17.4	17.4				4.3	43.5	HC
	2.5	3.9			13.3	3.6				1.1	2.2	CC
	2.5	0.4			0.4	0.4				0.1	1.1	MC
16 IDENTIFICATION.....	1						1					SC
	100.0						100.0					HC
	0.1						2.1					CC
	0.1						0.1					MC
17 NEC.....	47	5	6			7	2	1	1	5	20	SC
	100.0	10.6	12.8			14.9	4.3	2.1	2.1	10.6	42.6	HC
	5.1	4.9	12.8			6.0	4.2	4.5	10.0	5.5	4.4	CC
	5.1	0.5	0.6			0.8	0.2	0.1	0.1	0.5	2.2	MC

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS);
CELL ENTRIES ARE DUPLICATED COUNTS.

2.27

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

Case Resolution Modes for 1977-78 and 1976-77

	Total Cases Referred	Valid SER Corrections	Acceptable Documentation	Non-Response[1]	Unable to Contact Student/Parent	Other	Case Unresolved
1977-78	925 (100.0%)	194 (21.0%)	47 (5.1%)	165 (17.8%)	30 (3.2%)	35 (3.8%)	454 (49.1%)
1976-77	876 (100.0%)	310 (35.4%)	58 (6.6%)	127 (14.5%)	29 (3.3%)	4 (0.4%)	448 (51.1%)

[1] Including total non-response and non-response to additional requests.

In terms of variation in resolution modes among suspected discrepancy types, Table 2.3 suggests that the highest rates of non-response were associated with SER items that prior experience indicated have a high likelihood of discrepancy. Whereas, overall, 12.6 percent of referred cases were closed for total non-response, 25.7 percent of the cases with suspected zero/low income errors and 17.4 percent of referrals with unknown discrepancies were closed due to total non-response. The highest rates of closure due to valid (and processed) SER corrections were generally associated with suspected discrepancies for which appropriate documentation of actual values readily exists. That is, while, overall, 11.1 percent of referred cases were closed for valid (and processed) SER corrections, cases referred due to suspected post high enrollment, veteran's educational benefits, medical/dental expenses, and taxes paid error were closed due to valid SER corrections at a higher than average rate (38.1%, 33.3%, 21.1%, and 15.9%, respectively).

Table 2.4 displays the mode of case resolution by students' income levels and initial eligibility indices. It is interesting to note that over half (51.0%) of the referred students initially reported an income of $1500 or less. Across income levels, students who submitted valid SER corrections had an average initial EI that was higher than the average initial EI for all referred cases, and students who were not able to be contacted had a lower than average initial EI. The distribution of students' resolution modes within each income category is fairly similar across income levels.

In terms of differences in modes of case resolution by initial dependency status, the pattern of closure modes for combined

TABLE 2.4

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SAI FOR APPLICANTS AT VARIOUS INCOME LEVELS (INSTITUTION AND DE REFERRALS)

		*** INCOME LEVELS ***							
--- MODE OF RESOLUTION ---	TOTAL	LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	
TOTAL.....	925	472	136	99	83	39	48	48	SC
	100.0	51.0	14.7	10.7	9.0	4.2	5.2	5.2	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	217.6	98.2	201.9	133.9	313.7	583.6	610.9	830.8	MM
01 VALID SEH CONNECTION.....	103	43	16	11	10	6	8	9	SC
	100.0	41.7	15.5	10.7	9.7	5.8	7.8	8.7	MC
	11.1	9.1	11.8	11.1	12.0	15.4	16.7	18.8	CC
	298.3	137.8	311.6	69.5	317.3	436.8	776.0	783.8	MM
02 ACCEPTABLE DOCUMENTATION...	47	17	11	11	3	1	4		SC
	100.0	36.2	23.4	23.4	6.4	2.1	8.5		MC
	5.1	3.6	8.1	11.1	3.6	2.6	8.3		CC
	285.0	99.3	100.2	211.7	433.7	485.0	696.8		MM
03 DE RESOLUTION.....	3	1			2				SC
	100.0	33.3			66.7				MC
	0.3	0.2			2.4				CC
	384.3				576.3				MM
04 UNABLE TO CONTACT STUDENT..	30	22	4	1	1	2			SC
	100.0	73.3	13.3	3.3	3.3	6.7			MC
	3.2	4.7	2.9	1.0	1.2	5.1			CC
	86.6	41.9				838.0			MM
05 TOTAL NON-RESPONSE.....	117	66	18	11	5	3	7	7	SC
	100.0	56.4	15.4	9.4	4.3	2.6	6.0	6.0	MC
	12.6	14.0	13.2	11.1	6.0	7.7	14.6	14.6	CC
	176.6	71.9	142.5	152.8		627.3	620.6	778.8	MM
06 NON-RESPONSE TO ADDITIONAL REQUEST.....	48	21	3	7	5	4	4	4	SC
	100.0	43.8	6.3	14.6	10.4	8.3	8.3	8.3	MC
	5.2	4.4	2.2	7.1	6.0	10.3	8.3	8.3	CC
	188.0	38.7	264.7		614.4	422.0	323.8	382.8	MM
07 UNACCEPTABLE RESPONSE.....	22	13	4		2	3			SC
	100.0	59.1	18.2		9.1	13.6			MC
	2.4	2.8	2.9		2.4	7.7			CC
	199.9	157.7	48.6		136.0	653.7			MM
08 NON-USE OF GRANT.....	10	6	3		1				SC
	100.0	60.0	30.0		10.0				MC
	1.1	1.3	2.2		1.2				CC
	127.9	31.8	362.7						MM
SEH CORRECTION NOT YET PROCESSED.....	91	39	13	11	9	6	6	7	SC
	100.0	42.9	14.3	12.1	9.9	6.6	6.6	7.7	MC
	9.8	8.3	9.6	11.1	10.8	15.4	12.5	14.6	CC

BEST COPY AVAILABLE

TABLE 2.4

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SEI FOR APPLICANTS AT VARIOUS INCOME LEVELS (INSTITUTION AND OE REFERRALS)

		*** INCOME LEVELS ***							
--- MODE OF RESOLUTION ---	TOTAL	LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	
	259.1	58.8	128.7	114.0	353.1	521.6	792.8	1091.6	MN
CASE UNRESOLVED.....	454	244	64	47	45	14	19	21	SC
	100.0	53.7	14.1	10.4	9.9	3.1	4.2	4.6	HC
	49.1	51.7	47.1	47.5	54.2	35.9	39.6	43.8	CC
	216.4	103.1	226.3	153.8	306.6	667.9	523.1	865.5	MN

2.31

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

institution/OE referral cases is similar for dependent and independent students with the following exceptions (see Table 2.5). A disproportionately higher number of dependent students' cases were closed for valid SER corrections (processed and unprocessed - 14.5% and 12.0%, respectively, compared to 8.0% and 7.8%, respectively, for independent students). Also, more independent student cases were as yet unresolved than dependent student cases (53.8% vs. 44.6%).

According to Table 2.6, the size of the institution which the student attended was unrelated to the mode of case resolution for cases referred by the institution, with the following exception: within the group of students who attended proprietary schools, the proportion of cases closed for total non-response increased as the size of the school increased (19.0%, 33.3%, and 55.8% for small, medium-sized, and large schools, respectively). There were also some notable differences between predominant closure modes for proprietary school students compared to public and private non-profit school students. Proportionately fewer proprietary students' cases were closed for valid SER corrections (8.6% vs. 22.3% and 25.6%, respectively); proportionately more proprietary student cases were closed due to total non-response (42.0% vs. 10.0% and 3.7%, respectively); and proportionately fewer proprietary cases were unresolved (27.2% vs. 50.7% and 53.7%, respectively).

Confirmed Discrepancies

The 1977-78 validation efforts initiated for all referred cases resulted in the detection of confirmed SER errors for 194 students. Some students had more than one SER error; for these 194 cases, a total of 574 errors were documented. It should also be noted that not all corrected SERs had been reprocessed by the application processor at the time of this report preparation; therefore, while 194 cases were determined to contain SER errors, the corrected SERs had been reprocessed in 103 instances. Consequently, subsequent

TABLE 2.5

DISTRIBUTION OF MODE OF RESOLUTION BY INITIAL DEPENDENCY STATUS (INSTITUTION AND OE REFERRALS)

--- MODE OF RESOLUTION ---	TOTAL INST REFS	TOTAL OE REFS	DEPENDENT INST REFS	DEPENDENT OE REFS	INDEPENDENT INST REFS	INDEPENDENT OE REFS	
TOTAL	600	125	347	52	403	73	SC
	100.0	100.0	100.0	100.0	100.0	100.0	CC
01 VALID SER CORRECTION	94	9	58	7	36	2	SC
	11.8	7.2	14.6	13.5	8.9	2.7	CC
02 ACCEPTABLE DOCUMENTATION	45	2	43		24	2	SC
	5.6	1.6	5.6		5.5	2.7	CC
03 OE RESOLUTION	3		2		1		SC
	0.4		0.5		0.2		CC
04 UNABLE TO CONTACT STUDENT	20	10	2	5	18	5	SC
	2.5	8.0	0.5	9.6	4.5	6.8	CC
05 TOTAL NON-RESPONSE	103	14	51	5	52	9	SC
	12.9	11.2	12.8	9.6	14.4	12.3	CC
06 NON-RESPONSE TO ADDITIONAL REQUEST	42	6	24	3	18	3	SC
	5.3	4.8	6.3	5.8	4.9	4.1	CC
07 UNACCEPTABLE RESPONSE	20	2	12		8	2	SC
	2.5	1.6	3.0		2.0	2.7	CC
08 NON-USE OF GRANT	8	2	3		5	2	SC
	1.0	1.6	0.8		1.2	2.7	CC
SER CORRECTION NOT YET PROCESSED	79	12	48	6	31	6	SC
	9.9	9.6	12.1	11.5	7.7	8.2	CC
CASE UNRESOLVED	386	68	174	26	214	42	SC
	48.3	54.4	43.9	50.0	53.1	57.5	CC

2.33

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 2.6

NUMBER OF CASES BY MODE OF RESOLUTION AND BY INSTITUTION TYPE AND SIZE (INSTITUTION REFERRALS ONLY)

--- CONTROL/RESOLUTION ---	TOTAL	*** INSTITUTION SIZE *** LESS THAN 1,001	1,001-5,000	GREATER THAN 5,000	OTHER-UNKNOWN	
TOTAL - ALL CASES.....	600	63	240	411	46	SC
	100.0	7.9	35.0	51.4	5.8	RC
	100.0	100.0	100.0	100.0	100.0	CC
	100.0	7.9	35.0	51.4	5.8	AC
TOTAL - PUBLIC SCHOOLS.....	619	18	245	335	21	SC
	100.0	2.9	39.6	54.1	3.4	RC
	77.4	28.6	47.5	81.5	45.7	CC
	77.4	2.3	30.6	41.9	2.6	AC
VALID SER CORRECTION.....	138	3	54	72	9	SC
	100.0	2.2	39.1	52.2	6.5	RC
	17.3	4.8	19.3	17.5	19.6	CC
	17.3	0.4	6.8	9.0	1.1	AC
ACCEPTABLE DOCUMENTATION..	35		18	13	4	SC
	100.0		51.4	37.1	11.4	RC
	4.4		6.4	3.2	8.7	CC
	4.4		2.3	1.6	0.5	AC
OE RESOLUTION.....	2		1	1		SC
	100.0		50.0	50.0		RC
	0.3		0.4	0.2		CC
	0.3		0.1	0.1		AC
UNABLE TO CONTACT STUDENT.	17		4	12	1	SC
	100.0		23.5	70.6	5.9	RC
	2.1		1.4	2.9	2.2	CC
	2.1		0.5	1.5	0.1	AC
TOTAL NON-RESPONSE.....	62	3	22	37		SC
	100.0	4.8	35.5	59.7		RC
	7.8	4.8	7.9	9.0		CC
	7.8	0.4	2.8	4.6		AC
NON-RESPONSE TO AUDITION..	24		4	24	1	SC
	100.0		13.8	82.8	3.4	RC
	3.6		1.4	5.8	2.2	CC
	3.6		0.5	3.0	0.1	AC
UNACCEPTABLE RESPONSE.....	15		2	12	1	SC
	100.0		13.3	80.0	6.7	RC
	1.9		0.7	2.9	2.2	CC
	1.9		0.3	1.5	0.1	AC
NON-USE OF GRANT.....	7		3	4		SC
	100.0		42.9	57.1		RC
	0.9		1.1	1.0		CC
	0.9		0.4	0.5		AC

BEST COPY AVAILABLE

TABLE 2.6

NUMBER OF CASES BY MODE OF RESOLUTION AND BY INSTITUTION TYPE AND SIZE (INSTITUTION REFERRALS ONLY)

--- CONTROL/RESOLUTION ---	TOTAL	LESS THAN 1,001	1,001- 3,000	GREATER THAN 5,000	OTHER- UNKNOWN	
		*** INSTITUTION SIZE ***				
CASES UNRESOLVED.....	314	12	137	160	3	SC
	100.0	3.8	43.6	51.0	1.0	RC
	34.3	19.0	48.9	38.9	10.7	CC
	39.3	1.5	17.1	20.0	0.4	MC
TOTAL - PRIVATE NON-PROFIT....	82	24	32	24	2	SC
	100.0	29.3	39.0	29.3	2.4	RC
	10.3	38.1	11.4	5.8	4.3	CC
	10.3	3.0	4.0	3.0	0.3	MC
VALID SER CORRECTION.....	21	8	8	5		SC
	100.0	38.1	38.1	23.8		RC
	2.6	12.7	2.9	1.2		CC
	2.6	1.0	1.0	0.6		MC
ACCEPTABLE DOCUMENTATION..	8	1	4	2	1	SC
	100.0	12.5	50.0	25.0	14.3	RC
	1.0	1.6	1.4	0.5	2.4	CC
	1.0	0.1	0.5	0.3	0.1	MC
OE RESOLUTION.....	1		1			SC
	100.0		100.0			RC
	0.1		0.4			CC
	0.1		0.1			MC
UNABLE TO CONTACT STUDENT.						
TOTAL NON-RESPONSE.....	3	1	2			SC
	100.0	33.3	66.7			RC
	0.4	1.6	0.7			CC
	0.4	0.1	0.3			MC
NON-RESPONSE TO ADDITION..	4	1	1	2		SC
	100.0	25.0	25.0	50.0		RC
	0.5	1.6	0.4	0.5		CC
	0.5	0.1	0.1	0.3		MC
UNACCEPTABLE RESPONSE.....	1		1			SC
	100.0		100.0			RC
	0.1		0.4			CC
	0.1		0.1			MC
NON-USE OF GRANT.....						
CASES UNRESOLVED.....	44	13	13	15	1	SC
	100.0	29.5	34.1	34.1	2.3	RC
	5.5	20.6	5.4	3.6	2.4	CC
	5.5	1.6	1.9	1.9	0.1	MC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 2.6

NUMBER OF CASES BY MODE OF RESOLUTION AND BY INSTITUTION TYPE AND SIZE (INSTITUTION REFERRALS ONLY)

		*** INSTITUTION SIZE ***			
--- CONTROL/RESOLUTION ---	TOTAL	LESS THAN 1,001	1,001-5,000	GREATER THAN 5,000	OTHER-UNKNOWN
TOTAL - PRIVATE PROPRIETARY...	81	21	3	52	5
	100.0	25.9	3.7	64.2	6.2
	10.1	33.3	1.1	12.7	10.9
	10.1	2.6	0.4	6.5	0.6
VALID SER CORRECTION.....	7	3		4	
	100.0	42.9		57.1	
	0.9	4.8		1.0	
	0.9	0.4		0.5	
ACCEPTABLE DOCUMENTATION..	2	1		1	
	100.0	50.0		50.0	
	0.3	1.6		0.2	
	0.3	0.1		0.1	
OE RESOLUTION.....					
UNABLE TO CONTACT STUDENT.	3			3	
	100.0			100.0	
	0.4			0.7	
	0.4			0.4	
TOTAL NON-RESPONSE.....	34	4	1	29	
	100.0	11.8	2.9	85.3	
	4.3	6.3	0.4	7.1	
	4.3	0.5	0.1	3.6	
NON-RESPONSE TO ADDITION..	8			7	1
	100.0			87.5	14.3
	1.0			1.7	2.2
	1.0			0.9	0.1
UNACCEPTABLE RESPONSE.....	4	1		3	
	100.0	25.0		75.0	
	0.5	1.6		0.7	
	0.5	0.1		0.4	
NON-USE OF GRANT.....	1			1	
	100.0			100.0	
	0.1			0.2	
	0.1			0.1	
CASES UNRESOLVED.....	22	12	4	4	4
	100.0	54.5	9.1	18.2	18.2
	2.8	19.0	0.7	1.0	0.7
	2.8	1.5	0.3	0.5	0.5
TOTAL - OTHER/UNKNOWN.....	18				18
	100.0				100.0
	2.3				31.1
	2.3				2.3

BEST COPY AVAILABLE

TABLE 2.6

NUMBER OF CASES BY MODE OF RESOLUTION AND BY INSTITUTION TYPE AND SIZE (INSTITUTION REFERRALS ONLY)

*** INSTITUTION SIZE ***

CONTROL/RESOLUTION	TOTAL	LESS THAN 1,001	1,001-5,000	GREATER THAN 5,000	OTHER-UNKNOWN	
VALID SER CORRECTION.....	7				7	SC
	100.0				100.0	RC
	0.9				15.2	CC
	0.9				0.9	RC
ACCEPTABLE DOCUMENTATION..						
DE RESOLUTION.....						
UNABLE TO CONTACT STUDENT.						
TOTAL NON-RESPONSE.....	4				4	SC
	100.0				100.0	RC
	0.5				8.7	CC
	0.5				0.5	RC
NON-RESPONSE TO ADDITION..	1				1	SC
	100.0				100.0	RC
	0.1				2.2	CC
	0.1				0.1	RC
UNACCEPTABLE RESPONSE.....						
NON-USE OF GRANT.....						
CASES UNRESOLVED.....	6				6	SC
	100.0				100.0	RC
	0.8				13.0	CC
	0.8				0.8	RC

BEST COPY AVAILABLE

analyses that examine student eligibility index (SEI) change as a result of validation are based on the group of 103 students whose cases were closed for valid SER corrections and whose SERs were reprocessed (i.e., a final SEI had been computed). Within this group of 103 cases, a total of 297 separate SER errors were confirmed.

Table 2.7 presents the distribution of actual SER discrepancies by dependency status and relevant application year.[1/] Percentages referenced in the following discussion are based on the group of 194 cases with confirmed errors. Examination of the total column reveals that, across dependency status and application year, adjusted gross income and portions earned errors were each confirmed in over half of the cases resolved for SER corrections (52.6% and 57.2%, respectively).[2/] Taxes paid and non-taxable income errors also were confirmed in a significant number of cases (41.8% and 34.5%, respectively). These same SER entries accounted for the bulk of the confirmed discrepancies in the 1976-77 application period as well. Specifically, for 1976-77, adjusted gross income, non-taxable income, and taxes paid errors were confirmed in 44.2, 29.7, and 20.6 percent of the 310 confirmed discrepancy cases, respectively. These comparisons are summarized in the following text table.

Prevalent Actual SER Discrepancies for 1977-78 and 1976-77

	Total Cases With Confirmed Discrepancies	Adjusted Gross Income	Taxes Paid	Non-Taxable Income	Portions Earned[1/]	Dependency Status	Household Size
1977-78	194 (100.0%)	102 (52.6%)	81 (41.8%)	67 (34.5%)	111 (57.2%)	31 (16.0%)	49 (25.3%)
1976-77	310 (100.0%)	137 (44.2%)	64 (20.6%)	92 (29.7%)	-	14 (4.5%)	13 (4.2%)

[1/] Not differentiated from total adjusted gross income errors in the 1976-77 study.

[1/] The application year refers to the year in which the error occurred. All referrals reported in this section were received and resolved during the 1977-78 contract period.

[2/] A case may contain more than one error and therefore may be counted in more than one row in Table 2.7.

TABLE 2.7

DISTRIBUTION OF APPLICANTS (INITIAL MODEL) BY ACTUAL DISCREPANCY, BY APPLICATION YEAR
(INSTITUTION AND OE REFERRALS), DUPL COUNT

--- ACTUAL DISCREPANCY ---	TOTAL	TOTAL 1976-77	TOTAL 1977-78	TOTAL OTHER	INDEPENDENT STUDENTS 1976-77	INDEPENDENT STUDENTS 1977-78	INDEPENDENT STUDENTS OTHER	DEPENDENT STUDENTS 1976-77	DEPENDENT STUDENTS 1977-78	DEPENDENT STUDENTS OTHER
TOTAL.....	194	95	89	10	33	35	5	68	54	5
	100.0	49.0	45.9	5.2	16.0	18.0	2.6	30.9	27.8	2.6
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	100.0	49.0	45.9	5.2	16.0	18.0	2.6	30.9	27.8	2.6
ADJUSTED GROSS INCOME - 12,13.....	102	49	51	2	20	21	1	29	30	1
	100.0	48.0	50.0	2.0	19.6	20.6	1.0	28.4	29.4	1.0
	52.6	51.6	57.3	20.0	57.1	60.0	20.0	48.3	55.6	20.0
	52.6	25.3	26.3	1.0	10.3	10.8	0.5	14.9	15.5	0.5
TAXES PAID - 16,17,18.....	81	39	40	2	17	13	1	22	27	1
	100.0	48.1	49.4	2.5	21.0	16.0	1.2	27.2	33.3	1.2
	41.8	41.1	44.9	20.0	48.6	37.1	20.0	36.7	50.0	20.0
	41.8	20.1	20.6	1.0	8.8	6.7	0.5	11.3	13.9	0.5
DEPENDENCY STATUS - 02.....	31	13	17	1	10	17	1	3		
	100.0	41.9	54.8	3.2	32.3	54.8	3.2	9.7		
	16.0	13.7	19.1	10.0	28.6	48.6	20.0	5.8		
	16.0	6.7	8.8	0.5	5.2	8.8	0.5	1.5		
ASSETS - 21.....	30	16	13	1	7	6	1	9	7	
	100.0	53.3	43.3	3.3	23.3	20.0	3.3	30.0	23.3	
	15.5	16.8	14.6	10.0	20.0	17.1	20.0	13.2	13.0	
	15.5	8.2	6.7	0.5	3.6	3.1	0.5	4.6	3.6	
CITIZENSHIP - 01.....	2	1	1		1	1				
	100.0	50.0	50.0		50.0	50.0				
	1.0	1.1	1.1		2.9	2.9				
	1.0	0.5	0.5		0.5	0.5				
NON-TAXABLE INCOME - 08,09,10,11.....	67	30	37		15	17		15	20	
	100.0	44.8	55.2		22.4	25.4		22.4	29.9	
	34.5	31.6	41.6		42.9	48.6		25.0	37.0	
	34.5	15.5	19.1		7.7	8.8		7.7	10.3	
PORTIONS EARNED - 14,15.....	111	42	67	2	14	26	1	28	41	1
	100.0	37.8	60.4	1.8	12.6	23.4	0.9	25.2	36.9	0.9
	57.2	44.2	75.3	20.0	40.0	74.3	20.0	46.7	75.9	20.0
	57.2	21.6	34.5	1.0	7.2	13.4	0.5	14.4	21.1	0.5
POST HIGH ENROLLMENT - 05,06,07.....	33	20	13		14	7		8	6	
	100.0	60.6	39.4		36.4	21.2		24.2	18.2	
	17.0	21.1	14.6		34.3	20.0		13.3	11.1	
	17.0	10.3	6.7		6.2	3.6		4.1	3.1	
HOUSEHOLD SIZE - 04.....	49	21	27	1	17	16	1	4	11	
	100.0	42.9	55.1	2.0	34.7	32.7	2.0	8.2	22.4	
	25.3	22.1	30.3	10.0	48.6	45.7	20.0	6.7	20.4	
	25.3	10.8	13.9	0.5	8.8	8.2	0.5	2.1	5.7	

BEST COPY AVAILABLE

TABLE 2.7

DISTRIBUTION OF APPLICANTS (INITIAL MODEL) BY ACTUAL DISCREPANCY, BY APPLICATION YEAR
(INSTITUTION AND OE REFERRALS), DUPL COUNT

--- ACTUAL DISCREPANCY ---	TOTAL	TOTAL 1976-77	TOTAL 1977-78	TOTAL OTHER	INDEPENDENT STUDENTS 1976-77	INDEPENDENT STUDENTS 1977-78	INDEPENDENT STUDENTS OTHER	DEPENDENT STUDENTS 1976-77	DEPENDENT STUDENTS 1977-78	DEPENDENT STUDENTS OTHER	
VETERAN'S BENEFITS - 23.....	15	7	2	6	3	2	2	4		4	SC
	100.0	46.7	13.3	40.0	20.0	13.3	13.3	26.7		26.7	HC
	7.7	7.4	2.2	60.0	8.6	5.7	40.0	6.7		80.0	CC
	7.7	3.6	1.0	3.1	1.5	1.0	1.0	2.1		2.1	HC
UNUSUAL EXPENSES - 19,20.....	15	7	8		3	1		4	7		SC
	100.0	46.7	53.3		20.0	6.7		26.7	46.7		HC
	7.7	7.4	9.0		8.6	2.9		6.7	13.0		CC
	7.7	3.6	4.1		1.5	0.5		2.1	3.6		HC
APPLICANT SAVINGS - 22.....	1		1						1		SC
	100.0		100.0						100.0		HC
	0.5		1.1						1.9		CC
	0.5		0.5						0.5		HC
PRIOR ENROLLMENT - 24.....	2			2			2				SC
	100.0			100.0			100.0				HC
	1.0			20.0			40.0				CC
	1.0			1.0			1.0				HC
OTHER - 25,03,28,30.....	33	17	16		10	9		7	7		SC
	100.0	51.5	48.5		30.3	27.3		21.2	21.2		HC
	17.0	17.9	18.0		28.6	25.7		11.7	13.0		CC
	17.0	8.8	8.2		5.2	4.6		3.6	3.6		HC
NONE - 27.....	1	1						1			SC
	100.0	100.0						100.0			HC
	0.5	1.1						1.7			CC
	0.5	0.5						0.5			HC
UNKNOWN - 26.....	1		1			1					SC
	100.0		100.0			100.0					HC
	0.5		1.1			2.9					CC
	0.5		0.5			0.5					HC

MULTIPLE -

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS);
CELL ENTRIES ARE DUPLICATED COUNTS.

2.41

BEST COPY AVAILABLE

These comparisons also indicate that, on the average, more errors were confirmed for each referred student whose case was closed for valid SER corrections in 1977-78 than in 1976-77.[1/]

Returning to Table 2.7, the pattern of confirmed discrepancy types is similar across the application year in which the error occurred, except that proportionately more students who were referred for 1977-78 errors had confirmed portions earned errors than did students referred for prior year errors (75.3% vs. 44.2%, respectively). In addition, there were a few notable differences in the predominant types of confirmed errors between independent and dependent students. Proportionately more independent students had confirmed errors in each of the following areas: dependency status for 1977-78 cases (48.6% vs. 0%), non-taxable income for 1976-77 cases (42.9% vs. 25.0%), post-high enrollment for 1976-77 and 1977-78 cases (34.3% vs. 13.3% and 20.0% vs. 11.1%, respectively), and household size for 1976-77 and 1977-78 cases (48.6% vs. 6.7 % and 45.7% vs. 20.4%, respectively). Furthermore, taking into account all sources of confirmed discrepancies, independent students had more confirmed errors per case on the average than dependent students (3.68 errors vs. 2.50 errors). This trend is a reversal from the 1976-77 validation period, during which independent students accounted for a disproportionately small number of confirmed errors.

Impact of Validation Process on Student Eligibility Indices

Previous sections of this chapter have focused on reasons for institution referrals, actual discrepancies evidenced in referred cases, and the prevalent modes of case resolution. Once SER errors were confirmed, however, the validation contractor required students to correct their SERs. As these corrections were processed, changes usually occurred in students' Student Eligibility Indices (SEIs), which, in turn, usually resulted in reduced Basic Grant awards.[2/]

1/ While each case closed for valid SER corrections contained an average of 2.9 errors in 1977-78, the figure for the earlier period is 1.6 errors.

2/ An increased SEI is associated with a decreased award, all other factors held constant.

Student Eligibility Report corrections can therefore be viewed as the major goal of the validation effort, for these corrections typically result in direct monetary savings to the Basic Grant program.

Student Eligibility Report corrections were obtained from 194 cases, but only 103 corrected SERs had been processed in time for analysis for this report. The following section, then, is based on the 103 corrected and re-processed cases. SER corrections usually resulted in increased SEIs, which represent lowered award amounts. The reader should keep in mind that, throughout this report, SEI change is referred to in two manners - absolute and effective change. Absolute change refers to differences in SEIs as measured by the simple difference of the initial SEI subtracted from the new SEI. Effective change figures refer to differences between SEIs insofar as these changes would have an impact on the amount of an applicant's Basic Grant award. Because an applicant is ineligible for a Basic Grant if his/her SEI is over 1,200 points, the so-called "effective" SEI changes limit the maximum value of an SEI to 1,200 before computing difference between the new and initial SEI results. The results of this procedure allow a better interpretation of the monetary savings which actually accrued to the Basic Grant program as a result of the validation effort. For example, an SEI change from 900 to 1500 reflects an absolute change of 600 points (1500-900), but only the 300 point effective change has any monetary consequences (1200-900).

Keeping this definition in mind, the average absolute SEI change for reprocessed cases during the 1977-78 validation effort was 1546.7 points, while the average effective change was 348.4 points (an average decrease in award amount). These changes are larger than changes which resulted from the 1976-77 validation process: in 1976-77, the average and effective SEI changes which resulted from a total of 226 corrected and reprocessed SERs were 491.1 and 317.6 points, respectively.

Table 2.8 examines the magnitude of SEI change by referral reasons. Cases referred for suspected dependency status, taxes paid, and adjusted gross income errors resulted in the largest absolute SEI increases (916.4, 814.7, and 778.1 points, respectively). These same suspected errors were associated with substantial effective SEI changes as well (between 425 and 470 points), although citizenship, medical/dental expenses, and household size/post high enrollment suspected error cases were all associated with effective SEI increases of over 500 points. However, so few cases were referred for these latter reasons that the finding cannot be generalized - that is, suspected errors in these areas may not be indicative of large effective SEI changes.

In terms of the magnitude of SEI changes resulting from confirmed discrepancies, Table 2.9 indicates that cases involving corrections to portions earned[1/] and taxes paid fields had the largest effective SEI increases (517.5 and 498.9, respectively). Cases involving post-high enrollment, unusual expenses, adjusted gross income, and dependency status SER corrections also were associated with substantial average effective SEI increases (478.7, 470.6, 460.6, and 453.4 points, respectively). It should be remembered that one case may have involved corrections to more than one SER field; therefore, the SEI change that resulted from corrections to only one field at a time cannot be isolated. The effective SEI increases for all of these predominant categories exceeded the increases associated with these same confirmed errors in the previous validation period (1976-77).

Table 2.10 examines the relationship between the size of the institution which the student attended and the magnitude of SEI change which resulted from SER corrections. Using effective SEI

[1/] Students may erroneously report portions earned data and yet correctly report total adjusted gross income. This may be due to the fact that total adjusted gross income is reported to the Internal Revenue Service on the Federal tax report, but the portions of that amount earned by father/applicant and mother/spouse are not reported on that same form. The applicant has to reference his/her W-2 form(s) to determine accurate portions earned data.

TABLE 2.8

AVERAGE STUDENT ELIGIBILITY INDEX (SEI) CHANGE BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** AVERAGE SEI CHANGE ***

--- REASON FOR REFERRAL ---	TOTAL ABSOLUTE	TOTAL EFFECTIVE	INSTITUTION REFERRALS ABSOLUTE	INSTITUTION REFERRALS EFFECTIVE	OE REFERRALS ABSOLUTE	OE REFERRALS EFFECTIVE	
TOTAL	103	103	94	94	9	9	SC
	1548.7	348.4	1548.9	348.2	1001.4	371.6	MN
01 ADJUSTED GROSS INCOME	38	38	37	37	1	1	SC
	778.1	465.3	771.1	471.3	1030.0	242.0	MN
02 TAXES PAID	11	11	11	11			SC
	814.7	425.0	814.7	425.0			MN
03 NON-TAXABLE INCOME	19	19	17	17	2	2	SC
	383.2	286.7	489.5	381.6	140.0	140.0	MN
04 ZERO/LOW INCOME	10	10	10	10			SC
	421.2	374.2	421.2	374.2			MN
05 DEPENDENCY STATUS	18	18	17	17	1	1	SC
	916.4	442.8	711.5	398.2	4399.0	1200.0	MN
06 ASSETS/SAVINGS	5	5	3	3	2	2	SC
	591.0	387.6	467.7	326.0	776.0	280.0	MN
07 CITIZENSHIP	1	1	1	1			SC
	99999.0	1200.0	99999.0	1200.0			MN
08 POST HIGH ENROLLMENT	8	8	7	7	1	1	SC
	537.9	337.5	569.0	368.0	320.0	320.0	MN
09 HOUSEHOLD SIZE	4	4	3	3	1	1	SC
	442.8	442.8	590.3	590.3			MN
10 HS AND PHE	1	1	1	1			SC
	542.0	542.0	542.0	542.0			MN
11 VETERAN'S BENEFITS	9	9	9	9			SC
	-48.3	-48.3	-48.3	-48.3			MN
12 MEDICAL/DENTAL	4	4	4	4			SC
	633.3	561.5	633.3	561.5			MN
13 PRIOR ENROLLMENT							
14 MORE THAN 3 DISCREPANCIES	3	3	3	3			SC
	488.7	77.3	488.7	77.3			MN
15 UNKNOWN	4	4	1	1	3	3	SC
	771.3	535.3	1383.0	1200.0	567.3	368.7	MN
16 IDENTIFICATION							

BEST COPY AVAILABLE

TABLE 2.8

AVERAGE STUDENT ELIGIBILITY INDEX (SEI) CHANGE BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** AVERAGE SEI CHANGE ***

--- REASON FOR REFERRAL ---	TOTAL ABSOLUTE	TOTAL EFFECTIVE	INSTITUTION REFERRALS ABSOLUTE	INSTITUTION REFERRALS EFFECTIVE	OE REFERRALS ABSOLUTE	OE REFERRALS EFFECTIVE	
17 NEG.....	$	$	$	$			SG
	-324.0	-324.0	-324.0	-324.0			MA

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS) &
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 2.9

AVERAGE STUDENT ELIGIBILITY INDEX (SEI) CHANGE BY ACTUAL DISCREPANCY (INSTITUTION AND UE REFERRALS), DUPL COUNT
*** AVERAGE SEI CHANGE ***

--- ACTUAL DISCREPANCY ---	TOTAL ABSO-LUTE	TOTAL EFFEC-TIVE	INSTITUTION REFERRALS ABSO-LUTE	INSTITUTION REFERRALS EFFEC-TIVE	UE REFERRALS ABSO-LUTE	UE REFERRALS EFFEC-TIVE	
TOTAL.....	103	103	94	94	9	9	SS
	1546.7	348.6	1348.9	346.2	1481.0	371.6	AA
ADJUSTED GROSS INCOME - 12+13.....	54	54	52	52	2	2	SS
	824.6	488.6	821.3	486.7	1039.0	302.0	AA
TAXES PAID - 16+17+18.....	42	42	38	38	4	4	SS
	924.4	498.9	934.0	518.1	686.3	316.0	AA
DEPENDENCY STATUS - 02.....	17	17	16	16	1	1	SS
	934.9	453.4	749.6	486.8	4299.0	1200.0	AA
ASSETS - 21.....	16	16	14	14	2	2	SS
	849.8	482.0	631.8	419.4	776.0	288.0	AA
CITIZENSHIP - 01.....	1	1	1	1			SS
	99999.0	1200.0	99999.0	1200.0			AA
NON-TAXABLE INCOME - 08+09+10+11.....	34	34	31	31	3	3	SS
	363.0	221.1	335.6	281.9	643.7	419.0	AA
POSITIONS CANNED - 14+15.....	58	58	54	54	4	4	SS
	993.7	517.5	867.6	492.2	4299.0	1400.0	AA
POST HIGH ENROLLMENT - 05+06+07.....	18	18	18	18			SS
	926.2	478.7	926.2	478.7			AA
HOUSEHOLD SIZE - 04.....	24	24	24	24			SS
	643.0	481.6	645.0	481.8			AA
VETERANS BENEFITS - 03.....	12	12	11	11	1	1	SS
	-38.3	-38.3	-39.3	-38.5			AA
UNUSUAL EXPENSES - 19+20.....	9	9	9	9			SS
	709.7	478.6	709.7	478.6			AA
APPLICANT SAVINGS - 22.....	1	1	1	1			SS
	421.0	421.0	421.0	421.0			AA
PRIOR ENROLLMENT - 24.....							
OTHER - 25+03+26+30.....	13	13	13	13			SS
	414.1	238.1	414.1	238.1			AA
NONE - 27.....							

TABLE 2.9

AVERAGE STUDENT ELIGIBILITY INDEX (SEI) CHANGE BY ACTUAL DISCREPANCY (INSTITUTION AND UE REFERRALS). DUPL COUNT

*** AVERAGE SEI CHANGE ***

--- ACTUAL DISCREPANCY ---	TOTAL ABSOLUTE	TOTAL EFFECTIVE	INSTITUTION REFERRALS ABSOLUTE	INSTITUTION REFERRALS EFFECTIVE	UE REFERRALS ABSOLUTE	UE REFERRALS EFFECTIVE
UNKNOWN - 20.....						
MULTIPLE -						

NOTE: TOTAL RUN(S) REPRESENT CASES (STUDENTS).
CELL ENTRIES ARE DUPLICATED COUNTS.

TABLE 2.10

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY AVERAGE ABSOLUTE AND EFFECTIVE SEI CHANGES FOR VARIOUS INSTITUTION SIZES (INSTITUTION AND DE REFERRALS)

	*** INSTITUTION SIZE ***										
	- TOTAL -		LESS THAN 1,001		1,001- 5,000		GREATER THAN 5,000		OTHER- UNKNOWN		
*** ACTUAL DISCREPANCY ***	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	
TOTAL	103	103	9	9	34	34	44	44	16	16	SC
	1540.7	348.4	703.8	538.4	3843.3	451.7	484.3	246.8	673.8	301.4	MN
ADJUSTED GROSS INCOME - 16,13	4	4	1	1	1	1			2	2	SC
	980.3	713.0	614.0	614.0	880.0	880.0			1224.0	679.0	MN
TAXES PAID - 10,17,18	3	3			1	1	2	2			SC
	28.3	28.3			85.0	85.0					MN
DEPENDENCY STATUS - 02											
ASSETS - 21	5	5	2	2	2	2	1	1			SC
	430.6	220.4	776.0	280.0	179.0	179.0	273.0	184.0			MN
CITIZENSHIP - 01	1	1			1	1					SC
	99999.0	1200.0			99999.0	1200.0					MN
NON-TAXABLE INCOME - 08,09,10,11	14	14			3	3	10	10	1	1	SC
	350.6	350.6			534.0	534.0	292.7	292.7	320.0	320.0	MN
POSITIONS EARNED - 14,15											
POST HIGH ENROLLMENT - 03,06,07	1	1			1	1					SC
	542.0	542.0			542.0	542.0					MN
HOUSEHOLD SIZE - 04											
VETERANS BENEFITS - 23	10	10	1	1	1	1			8	8	SC
	43.5	43.5							54.4	54.4	MN
UNUSUAL EXPENSES - 19,40	1	1					1	1			SC
	57.0	57.0					57.0	57.0			MN
APPLICANT SAVINGS - 22											
PRIOR ENROLLMENT - 24											
OTHER - 25,03,26,30											
NONE - 27											
UNKNOWN - 28											

TABLE 2.10

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY AVERAGE ABSOLUTE AND EFFECTIVE SEI CHANGES FOR VARIOUS INSTITUTION SIZES (INSTITUTION AND OE REFERRALS)

	*** INSTITUTION SIZE ***										
	- TOTAL -		LESS THAN 1,001		1,001- 5,000		GREATER THAN 5,000		OTHER- UNKNOWN		
--- ACTUAL DISCREPANCY ---	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	
MULTIPLE - COMBINATIONS OF ABOVE.....	94	64	5	5	24	24	30	30	5	5	
	750.4	399.6	941.6	734.4	848.9	442.9	484.4	256.4	1687.0	715.8	

2.51

change as the indicator of magnitude, the largest effective SEI increases were associated with small schools (538.4), while the smallest effective SEI increases were associated with large schools (246.8).

Impact of Validation Process on Changes to Student Eligibility Report Entries

The previous two sections explored the prevalent types of confirmed errors and the overall impact of the validation process on Student Eligibility Index (SEI) changes. To more fully describe the impact of validation activities, this section will examine the magnitude of change to individual data entries as a result of SER corrections and the SEI changes associated with change in each data entry.

Table 2.11 presents the average change to discrepant data items by income levels. It should be noted that only the major SER items are included in this table and if a case did not include corrections to one of the displayed fields, it is not counted in the table. Therefore, only 166 students are included in the table as opposed to the 194 cases closed for valid SER corrections. Furthermore, each student may have corrected more than one SER field. Across income levels, several major changes were evidenced. The average dependency status change was -0.9, which indicates that almost all of the 29 students who made such corrections changed from independent to dependent. Household size increased, on the average, more than one person (1.2) for the 48 students who corrected that field. All monetary fields corrected were associated with large positive changes, which indicate that the corrected fields were considerably higher than the originally reported figures. Non-taxable income, adjusted gross income, and taxes paid demonstrated increases of an average of $2,028.50, $8,163.20, and $635.40, respectively. The only clear trend that is evidenced between item changes and income level is that, as applicants' incomes increase, the magnitude of their adjusted gross income changes decrease. That is, lower income applicants tended to make larger adjusted gross income errors than higher income applicants.

TABLE 2.11

DISTRIBUTION OF AVERAGE CHANGE TO DISCREPANT DATA BY INCOME LEVEL FOR EACH REPORTED DATA ELEMENT (INSTITUTION AND DE REFERRALS)

*** INCOME LEVELS ***

--- DATA ELEMENT ---	TOTAL	LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	SEM CORREC- TIONS NOT YET PROCESSED	
TOTAL.....	166	35	14	9	10	6	8	9	75	SC
										MN
MODEL - (DEPENDENCY STATUS)...	29	9	3	2					13	SC
	-0.9	-1.0	-1.0						-0.8	MN
HOUSEHOLD NUMBER.....	48	11	7	1	1		1	3	24	SC
	1.2	2.5	2.4	5.0	-4.0		-1.0	-1.0	0.7	MN
POST-HIGH ENROLLMENT NUMBER...	25	6	3	1	1	2	1	2	9	SC
	-0.2	0.2		1.0	1.0	-1.5	-2.0		-0.4	MN
NON-TAXABLE INCOME AMOUNT.....	64	20	6	1	2	1	1	1	32	SC
	2028.5	1825.2	2259.0	5480.0	1358.9	670.0	1980.0	7800.0	1910.0	MN
ADJUSTED GROSS INCOME AMOUNT..	97	17	12	5	3	4	4	5	45	SC
	8163.2	13097.1	7484.1	7017.2	5794.4	5050.8	4834.5	-1257.0	8490.1	MN
TAXES PAID AMOUNT.....	79	9	11	5	4	4	5	5	36	SC
	635.4	562.8	694.3	476.0	55.3	624.5	-514.6	-1236.4	1143.1	MN
STUDENT ELIGIBILITY INDEX.....	74	22	13	7	10	6	7	9		SC
	2152.8	5179.7	1053.1	1522.6	757.9	750.5	901.9	290.4		MN

NOTE: TOTAL RUN(S) REPRESENT CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

2.53

Table 2.12 is based on the group of students whose SER corrections had been reprocessed and who made changes to items included in the table. There was little variation in initial SEIs by discrepant data item. Final SEIs varied widely, however. The largest final SEIs (and, therefore, largest absolute SEI increases, given the similar SEIs) were associated with changes to taxes paid and adjusted gross income entries (1243.7 and 1134.3, respectively). Changes to post-high enrollment and dependency status were also associated with high final SEIs (1027.7 and 978.1, respectively).

Documentation Used to Support Case Referrals

The types of documentation that financial aid officers used to support allegations of SER discrepancies were of particular interest to the Office of Education, since institutions were encouraged to report all cases which they suspected of including error. Financial aid officers did not always have to accompany a referred case with documentation which existed in the student's file, but could refer a case if the school had reason to believe that the information reported by the student was questionable. This section is based on the 800 institution referral cases.

Table 2.13 presents the distribution of supporting documentation by institution size. The total column indicates that, regardless of school size, the American College Testing Program's Financial Need Statement[1/] and federal income tax forms were the most predominantly used forms of supporting documentation (used for 21.1% and 19.5% of the case referrals, respectively). The Educational Testing Service's Parents Confidential Statement supported suspected errors for 14.3 percent of the cases, while conversations with students or parents were cited as documentation for 9.4 percent of the referrals. In 12.1 percent of the cases, no documentation accompanied the referral.

1/ For the upcoming 1978-79 referral study, it is anticipated that the ACT form will be available for comparative purposes less frequently due to the introduction of multiple data entry.

TABLE 2.12

AVERAGE CHANGE OF REPORTED DATA ELEMENTS, AVERAGE INITIAL ELIGIBILITY INDEX AND AVERAGE FINAL ELIGIBILITY INDEX (INSTITUTION AND OE REFERRALS)

--- DATA ELEMENT ---	AVERAGE CHANGE TO DISCREPANT DATA		AVERAGE INITIAL SEI		AVERAGE FINAL SEI		
	INST REFS	OE REFS	INST REFS	OE REFS	INST REFS	OE REFS	
TOTAL.....	83	8	83	8	83	8	SC
			308.1	571.3	2118.9	1697.4	MN
MODEL - (DEPENDENCY STATUS)...	15	1	15	1	15	1	SC
	-1.0	1.0	258.9		979.1	4399.0	MN
HOUSEHOLD NUMBER.....	24		24		24		SC
	1.8		265.0		782.5		MN
POST-HIGH ENROLLMENT NUMBER...	16		16		16		SC
	-0.1		269.5		1087.7		MN
NON-TAXABLE INCOME AMOUNT.....	29	3	29	3	29	3	SC
	2273.1	928.3	248.7	462.7	607.4	1108.3	MN
ADJUSTED GROSS INCOME AMOUNT..	50	2	50	2	50	2	SC
	8022.5	4325.0	269.7	898.0	1134.3	1937.0	MN
TAXES PAID AMOUNT.....	39	4	39	4	39	4	SC
	262.6	-298.3	343.8	639.5	1243.7	1324.0	MN
STUDENT ELIGIBILITY INDEX.....	66	8	66	8	66	8	SC
	2277.3	1126.1	377.6	571.3	2654.9	1697.4	MN

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

2.55

TABLE 2.13

TYPES OF DOCUMENTATION USED TO SUPPORT CASE REFERRALS BY INSTITUTION SIZE

INSTITUTION REFERRALS ONLY; DUPL COUNT

ALL INSTITUTION SIZES

-- SUPPORTING DOCUMENTATION --	TOTAL	LESS THAN 1,000	1,000 TO 2,999	3,000 TO 5,999	6,000 OR MORE
TOTAL	668	63	268	411	90
	100.0	9.4	40.1	61.5	13.5
	100.0	100.0	100.0	100.0	100.0
	100.0	9.4	40.1	61.5	13.5
01 FEDERAL TAX FORM	130	7	44	75	4
	100.0	5.4	33.8	57.7	3.1
	19.5	11.1	16.4	18.2	4.4
	19.5	8.0	8.2	9.2	4.4
02 STD FORM	114	14	32	63	5
	100.0	12.3	28.1	55.3	4.4
	17.1	19.4	11.9	15.3	14.8
	17.1	1.5	4.1	7.5	5.6
03 ACT FORM	184	9	43	122	
	100.0	4.9	23.4	72.2	
	27.5	6.3	15.4	29.7	
	27.5	0.5	6.4	18.3	
04 SCHOOLS NEED ANALYSIS FORM	50	9	20	15	6
	100.0	6.0	40.0	30.0	4.0
	6.2	6.3	10.4	3.6	6.2
	6.2	0.5	3.0	1.9	0.2
05 STATE TAX FORM	1			1	
	100.0			100.0	
	0.1			0.2	
	0.1			0.1	
06 AFFIDAVIT OF NONSUPPORT	5		4	1	
	100.0		80.0	20.0	
	0.6		1.4	0.2	
	0.6		0.3	0.1	
07 STATE SCHOLAR LOAN AUDIT	2	1		1	
	100.0	50.0		50.0	
	0.2	1.5		0.2	
	0.2	0.1		0.1	
08 NON-TAXABLE INC STATEMENT	4			4	
	100.0			100.0	
	0.6			1.0	
	0.6			0.4	
09 W2/1G OR BENEFITS STATEMENT	18	3	4	11	
	100.0	16.7	22.2	61.1	
	2.7	4.8	1.5	2.7	
	2.7	0.4	0.3	1.3	

TABLE 2.13

TYPES OF DOCUMENTATION USED TO SUPPORT CASE REFERRALS BY INSTITUTION SIZE

LISTING INSTITUTION REFERRALS ONLY; DUPL COUNT

SUPPORTING DOCUMENTATION	TOTAL	LESS THAN 1,001	1,001- 5,000	GREATER THAN 5,000	STRUCTURE	
10 VISA/NON-CIT DOCUMENTATION	2			2		
	100.0			100.0		
	0.3			0.5		
	0.3			0.3		
11 TRANSCRIPT	5		3	2		
	100.0		60.0	40.0		
	0.8		1.1	0.5		
	0.8		0.9	0.3		
12 OTHER-FORMAL DOCUMENTATION	57	5	29	22	0	
	100.0	8.8	42.1	38.6	10.5	
	7.1	7.8	8.8	5.4	12.8	
	7.1	0.8	3.8	2.8	0.8	
13 ZERO INCOME-NO DOCUMENT	9		7	2		
	100.0		77.8	22.2		
	1.1		2.8	0.5		
	1.1		0.9	0.3		
14 OTHER-NO FORMAL DOCUMENT	22	1	16	4	1	
	100.0	4.5	72.7	18.2	22.7	
	2.8	1.8	8.2	1.8	12.5	
	2.8	0.1	1.8	0.5	0.8	
15 CONSIDERATION-AFTER-PAYMENT	79	11	49	20	4	
	100.0	14.7	62.0	25.3	14.8	
	9.9	17.5	8.9	7.3	25.0	
	9.9	1.4	7.1	2.8	1.1	
16 CONSIDERATION-UNABLE/INCRD	7		1	6		
	100.0		14.3	85.7		
	0.9		0.9	1.5		
	0.9		0.1	0.8		
17 NOMINATION APPLICATION	1	1				
	100.0	100.0				
	0.1	1.4				
	0.1	0.1				
18 NONE-NO DOCUMENTATION	97	13	29	48	11	
	100.0	13.4	29.9	49.2	19.5	
	12.1	20.4	18.4	9.7	29.4	
	12.1	1.8	3.8	5.8	1.4	
19 OTHER-NOT CLASSIFIED ABOVE	43	6	16	16	1	
	100.0	9.2	18.5	78.8	1.5	
	5.3	8.5	4.3	11.2	2.4	
	5.3	0.8	1.8	5.8	0.1	

REFERRED BY APPLIED MANAGEMENT SYSTEMS

S.J

S-8

For the most part, one type of documentation accompanied a referral: a total of 853 sources of documentation were used to support suspected errors within the 800 cases.

There are a few changes in the most widely used formal documentation sources between this year's and last year's efforts. In 1976-77, the ACT and ETS forms accompanied the largest number of referrals (17.8 and 13.8%, respectively), followed by a transcript[1/] and federal tax form (11.3% and 9.8%, respectively).

Returning to Table 2.13, there are a few differences in patterns of documentation by size of the referring institutions. Most notably, medium-sized schools relied on federal tax returns more so than did other schools, and large schools utilized the ACT statement at a proportionately higher rate than did the other types of schools. Not surprisingly, small schools relied on conversations with students or parents and no documentation to a greater extent than other schools did, perhaps due to more limited resources for identifying formal sources of error.

Table 2.14 reveals some marked differences in patterns of supporting documentation used by proprietary institutions when compared to other types of schools. Proprietary schools supported their referrals with proportionately fewer federal income tax forms (2.5% vs. an overall figure of 19.5%); with proportionately fewer ETS and ACT forms (1.2% vs. 14.3% and 3.7% vs. 21.1%, respectively); and with proportionately more other types of documents not otherwise classified[2/] (36.8% vs. 8.1%). The other major difference in documentation by school type is that 97.0 percent of cases supported by the ACT form were referred by public institutions, while public institutions accounted for 77.4 percent of the referrals.

[1/] A transcript was used to document suspected errors of prior year enrollment which no longer is defined as an ineligible condition forreceipt of a Basic Grant. Therefore, this error does not pertain to the 1977-78 validation study.

[2/] E.g. marriage certificates.

TABLE 2.14

TYPES OF DOCUMENTATION USED TO SUPPORT CASE REFERRALS BY INSTITUTION CONTROL
INSTITUTION REFERRALS UNLESS DUPL COUNT

-- SUPPORTING DOCUMENTATION --	*** INSTITUTION CONTROL *** TOTAL	PUBLIC	PRIVATE NON-PROFIT	PRIVATE PROPRIE-TARY	OTHER/UNKNOWN
TOTAL	4010	3619	66	81	84
	100.0	77.4	18.3	18.1	2.2
	100.0	100.0	100.0	100.0	100.0
	100.0	77.4	18.3	18.1	2.2
01 FEDERAL TAX FORM	156	137	17	2	
	100.0	87.8	10.9	1.3	
	19.5	22.1	48.7	2.5	
	19.5	17.1	2.1	0.3	
02 ETS FORM	114	88	23	1	4
	100.0	77.2	20.2	0.9	1.8
	14.3	14.2	28.8	1.2	11.1
	14.3	11.8	2.9	0.1	0.2
03 ACT FORM	188	184	2	3	
	100.0	97.9	1.2	1.8	
	23.1	28.5	2.4	3.7	
	23.1	28.5	0.2	0.4	
04 SCHOOL'S MEDICAL ANALYSIS FORM	58	48	7	3	
	100.0	68.8	14.8	6.8	
	6.3	6.5	8.5	3.7	
	6.3	5.8	0.9	0.4	
05 STATE TAX FORM	1	1			
	100.0	100.0			
	0.1	0.2			
	0.1	0.1			
06 AFFIDAVIT OF NON-SUPPORT	5	5			
	100.0	100.0			
	0.6	0.6			
	0.6	0.6			
07 STATE SCHOLAR COMM AUDIT	2	1	1		
	100.0	50.0	50.0		
	0.2	0.2	1.2		
	0.2	0.1	0.1		
08 NON-TAXABLE INC STATEMENT	6	5	1		
	100.0	83.3	16.7		
	0.8	0.6	1.4		
	0.6	0.6	0.1		
09 NOTICE OF BENEFITS STATEMENT	10	9	1		
	100.0	90.0	10.0		
	1.2	1.0	1.2		
	1.2	1.1	0.1		

ASAK ASAK ASAK ASAK ASAK ASAK ASAK ASAK ASAK ASAK

TABLE 2.14

TYPES OF DOCUMENTATION USED TO SUPPORT CASE REFERRALS BY INSTITUTION CONTROL
INSTITUTION REFERRALS ONLY. DUPL COUNT

*** INSTITUTION CONTROL ***

-- SUPPORTING DOCUMENTATION --	TOTAL	PUBLIC	PRIVATE NON-PROFIT	PRIVATE PROPRIETARY	OTHER-UNKNOWN	
10 VISA/NON-CIT DOCUMENTATION	2	2				ASSESS
	100.0	100.0				
	0.3	0.3				
	0.3	0.3				
11 TRANSCRIPT	5	4	1			ASSESS
	100.0	80.0	20.0			
	0.6	0.6	1.6			
	0.6	0.5	0.1			
12 OTHER-FORMAL DOCUMENTATION	57	38	10	4	3	ASSESS
	100.0	66.7	17.5	7.0	8.8	
	7.1	4.1	12.6	4.9	27.6	
	7.1	4.8	1.3	0.5	0.4	
13 ZERO INCOME-NO DOCUMENT	9	7	2			ASSESS
	100.0	77.8	22.2			
	1.1	1.1	2.4			
	1.1	0.9	0.3			
14 OTHER-NO FORMAL DOCUMENT	22	20		1	1	ASSESS
	100.0	90.9		4.5	4.3	
	2.8	3.2		1.2	5.6	
	2.8	2.5		0.1	0.1	
15 CONVERSATION-STATEMENT	75	53	10	7	3	ASSESS
	100.0	70.7	13.3	9.3	4.7	
	9.4	6.6	12.2	8.6	27.6	
	9.4	6.6	1.3	0.9	0.4	
16 CONVERSATION-INST/FINAID	7	4	3			ASSESS
	100.0	57.1	42.9			
	0.9	0.5	3.7			
	0.9	0.5	0.4			
17 ADMISSION APPLICATION	1	1				ASSESS
	100.0	100.0				
	0.1	0.2				
	0.1	0.1				
18 NONE-NO DOCUMENTATION	97	63	24	26	4	ASSESS
	100.0	64.9	24.7	26.5	4.1	
	12.1	10.2	17.1	19.8	22.2	
	12.1	7.9	3.0	3.2	0.5	
19 OTHER-NOT CLASSIFIED ABOVE	93	17	1	46	1	ASSESS
	100.0	20.2	1.2	70.8	1.2	
	0.1	2.7	1.2	50.0	9.9	
	0.1	2.1	0.1	5.8	0.1	

07/27/79 -42- PREPARED BY APPLIED MANAGEMENT SCIENCES

This higher rate at which proprietary schools supported referrals with informal documentation suggests that formal documents are less easy for these schools to access. This trend is similar to the one evidenced in the previous year's validation study in which proprietary schools accounted for a disproportionately large number of referrals based on informal documentation sources. Last year's study also indicated that public schools used the ACT form more frequently than schools under other types of control, so this trend is constant across the two-year period as well.

2.5: CHAPTER SUMMARY

The Institution/OE Referral Study was undertaken for purposes of validating cases with suspected Student Eligibility Report (SER) errors which were reported by participating BEOG institutions, the Office of Education, or other Basic Grant contractors. Validation procedures were initiated for 925 referred cases, of which 471 were resolved at the time that statistics for this report were compiled (June 30, 1978). Analysis of data pertaining to this set of 925 referred cases resulted in the following findings:

- Participating BEOG institutions referred a total of 800 cases; the remaining 125 cases were referred by the Office of Education.
- A large portion of the cases were referred because of suspected discrepancies in adjusted gross income and/or dependency status (36.4% and 21.6%, respectively). It should be noted that a case may have been referred because of more than one suspected discrepancy. Other predominant suspected discrepancies pertained to non-taxable income and/or zero/low income entries (16.3% and 12.2%, respectively).
- Not all suspected discrepancies were confirmed as a result of the validation process. The most prevalent confirmed discrepancies within the 925 referred cases were: portions of adjusted gross income earned, total adjusted gross income, taxes paid, and non-taxable income (12.0%, 11.0%, 8.3%, and 7.4%, respectively). In general, one-quarter or less of the cases that were referred for a given reason were determined to have a confirmed discrepancy in that area. This is due, at least in part, to the large number of cases which were unresolved (49.1%); the existence of actual discrepancies in these cases had not yet been determined.

- Most of the referred students attended public institutions (69.7%). Private and proprietary school students accounted for 9.2 and 9.1 percent, respectively, of the referrals. The only relationship between school control and referral reason is that proprietary school students accounted for a disproportionately low number of suspected adjusted gross income errors (less than 20%) and a disproportionately high number of zero/low income suspected errors (63.0%).

- Slightly more than half (50.9%) of the referred cases had been successfully resolved as of June 30, 1978. Follow-up activities will continue for the remaining unresolved cases during the 1978-79 validation year. Approximately one-quarter of all referred cases were closed due to valid SER corrections (21.0%). Non-respondents comprised 17.8 percent of the referred cases. Very few referred cases (5.1%) were able to acceptably document their original SER data. This resolution mode pattern is similar for the 1976-77 validation period, as well.

- Proportionately fewer proprietary school students' cases were closed for valid SER corrections (8.6% vs. an overall figure of 21.0%) and proportionately more were closed due to total non-response (42.0% vs. an overall figure of 12.6%). However, proportionately fewer proprietary students' cases were unresolved (27.2% vs. an overall figure of 49.1%).

- Confirmed SER errors were identified in 194 of the 925 referred cases (21.0%); for these 194 cases, an average of 2.9 errors were confirmed per case.

- Within the group of 194 cases with confirmed errors, adjusted gross income and portions earned fields accounted for the largest number of errors (identified in 52.6% and 57.7% of the cases, respectively), followed by taxes paid and non-taxable income errors (41.8% and 34.5%, respectively). This trend was also evidenced in the 1976-77 validation study.

- Independent students, on the average, had more confirmed errors per case than dependent students (3.68 and 2.50 errors, respectively).

- Although 194 cases were closed due to valid SER corrections, not all corrections were reprocessed by the time this report was prepared. Corrected SERs were reprocessed for 103 of the 194 cases. Within these 103 cases, the average absolute and effective SEI changes that resulted from corrected SERs were increases of 1546.7 points and 348.4 points, respectively, which represent an average decrease in award amounts. These changes are larger than the changes which resulted from the 1976-77 study. The largest effective SEI changes were obtained for cases referred for suspected dependency status, taxes paid, and adjusted gross income errors (between 425 and 470 points). In terms of confirmed discrepancies, cases with actual portions earned and taxes paid errors had the largest effective SEI increases (517.5 and 498.9, respectively).

- Within the group of 194 valid SER corrections, the average magnitude of corrections to individual SER fields was high. On the average, persons who corrected their household size field increased the figure by 1.2 persons, and corrections to dependency status averaged -0.9 (a predominant change from independent to dependent). Monetary fields increased considerably: persons who corrected non-taxable income, adjusted gross income, and taxes paid fields effected changes of approximately $2028, $8163, and $635 on the average, respectively.

- For 87.9 percent of the cases referred by institutions the referring financial aid officer accompanied the referral with some type of document to support the suspected error. The most frequently-used sources of documentation were the American College Testing Program's Financial Need Statement and Federal income tax forms (which accompanied 21.1% and 19.5% of the institution referrals, respectively). The Educational Testing Service's Parents Confidential Statement and conversations with students/parents also were frequently cited as documentation of suspected errors (14.3% and 9.4%, respectively).

3

INDIVIDUAL VALIDATION FINDINGS: PRE-ESTABLISHED CRITERIA STUDY

3.1: STUDY OVERVIEW

The Pre-established Criteria Study, which consists of an examination and validation of the information reported on Basic Grant applications by a sample of applicants meeting selected criteria was conducted again during the 1977-78 school year. While the Pre-established Criteria Study, like the Institution Referral Study, examined the characteristics and incidence of program abuse, the two studies differed in several ways. In the Pre-established Criteria Study more than 9,000 cases were chosen for examination and validation, while only 800 cases were followed-up in the Institution Referral effort. More importantly, the cases were chosen randomly from a group of applications which contained a high proportion of questionable data. Thus, with a larger group of cases and the probability of a wider range of errors more generalizable results could be obtained.

The 1977-78 Pre-established Criteria Study was comparable to the ones conducted in previous years in that the sampled applications were selected from the Basic Grant applicant universe because they were expected to contain erroneous data. These data were categorized into specific criteria and a random sample of cases meeting these criteria were selected for study. The specific criteria which were used in this study and the methods by which this study was conducted are described in the following section.

3.2: VALIDATION METHODOLOGY

Selection of Pre-established Criteria

In the 1977-78 Pre-established Criteria Study 9,126 cases were selected for examination and validation. The validation contractor developed the criteria which were used to select 8,006 cases. These criteria were essentially the same as those used in the 1976-77 study; however the mode of selection differed. In the 1976-77 study, all applicants meeting one or more criteria had an equal chance for selection; in the 1977-78 study, the applicants with the most extreme data and/or those meeting multiple criteria had the highest probability of selection. Cases meeting one or more of the following criteria were selected for validation:

- adjusted gross income was inconsistent with taxes paid, i.e., reported taxes paid exceeded calculated taxes paid by more than twenty percent.
- corrections to SER data resulted in an eligibility index change of 500 or more points.
- adjusted gross income was assumed but no corrections were made to AGI.
- household size exceeded the number of exemptions claimed.
- number of household members attending postsecondary institutions was four or more.

The remaining 1,120 cases were selected using criteria developed by the processing contractor. These criteria were based on the contractor's experience in dealing with the types of errors made on Student Eligibility Reports and the incidence of them. The criteria were:

- eligible applicants with more than five applications.
- applicants who changed their status from an ineligible dependent to an eligible independent.
- dependent applicants with a household size of five or more who verified an income of zero

- independent applicants who verified an income of zero meeting the following three conditions:
  - .. no Veteran's benefits
  - .. household size of three or more
  - .. only one person in postsecondary education
- dependents who verified a negative income with no real estate, investments, farm or business assets.

All students meeting one or more of these criteria had an equal probability for selection.

Sampling Procedures

After determination of the applicants meeting the selection criteria, a numerical weight was assigned to each applicant. The weights were incremented by the number of criteria met and the degree of extremeness of the applicant relative to other applicants meeting the same criterion. This resulted in increasing the probability of selecting applications most likely to contain erroneous information. Applications were drawn from the universe of all applicants meeting the criteria by using a skip interval appropriate for the sample size. In total, 9,126 applications were selected and subjected to validation. The distribution of applicants selected for the Pre-established Criteria Study according to the individual criterion or combination of criteria by which they were selected is shown in Exhibit B.

Validation Procedures

The 1977-78 Pre-established Criteria Study was divided into five phases. The first four phases were selected according to criteria developed by the validation contractor and the fifth phase was selected according to criteria developed by the processing contractor. The first mailing, which consisted of a letter and a response worksheet, was conducted on August 25, 1977, the second on September 19, 1977, the third on October 28, 1977, the fourth on November 14, 1977 and the fifth on January 3, 1978. This initial letter requested applicants (independent students) or their parents (dependent students) to provide the following documentation:

EXHIBIT B

DISTRIBUTION OF APPLICANTS SELECTED IN PRE-ESTABLISHED CRITERIA STUDY WITHIN SAMPLING CRITERIA

Criterion	Number of Applicants Selected
Total	8000
1	289
2	84
3	79
4	89
5	22
1,2	1032
1,3	853
1,4	843
1,5	139
2,3	138
2,4	177
2,5	89
3,4	101
3,5	20
4,5	40
1,2,3	441
1,2,4	824
1,2,5	409
1,3,4	1000
1,3,5	320
1,4,5	400
2,3,4	74
2,3,5	35
2,4,5	107
3,4,5	78
1,2,3,4	53
1,2,3,5	48
1,2,4,5	102
1,3,4,5	180
2,3,4,5	13
1,2,3,4,5	5

- a notarized copy of the applicant's (or applicant's parents') 1976 Federal Income Tax Form 1040 or 1040A;
- a copy of the applicant's (or applicant's parents') 1976 W-2 Wage and Tax Statement(s);
- notarized statements indicating the number of persons in the applicant's (or applicant's parents') household at the time of the applicant's first 1977-78 Basic Grant Application, and the number who planned to attend post-high educational institutions during the 1977-78 school year; and
- statement(s) of 1976 non-taxable income received by each household member from each agency which provided these benefits

A response worksheet, which further explained the type of documentation requested and aided the applicant in comparing specific items on the document with the information on the applicant's Student Eligibilty Report, was included with each letter.

The study was divided into five phases of 3,994, 997, 2007, 1,008 and 1,120 cases respectively. Inital letter mailings for each phase were conducted at approximately four-week intervals. This was scheduled in this manner so that the number of incoming responses would remain at a manageable level and could be evaluated and processed in an expedient manner.

Those applicants not responding to the initial letter after thirty days received a first follow-up letter and a definition sheet providing information concerning the key SER items being validated. This letter was basically the same as the initial letter but not quite as detailed. Those applicants who still did not respond to the first follow-up letter after thirty days received by certified mail a second and final follow-up letter (and response worksheet) which reminded the applicants (or their parents) of the two previous letters, again listed the information to be provided and

stated a warning that if a response was not received by the validation contractor within thirty days the applicants' awards would be suspended. Finally, if still no response was received a letter was sent to the applicant informing him or her that the 1977-78 award was suspended. In addition, a letter was sent to the financial aid office at the school the student was attending detailing all previous actions taken by the validation contractor and stating that no further Basic Grant funds should be disbursed until a complete and accurate response to the validation request was provided by the student.

All responses received before suspension of a student's award were thoroughly evaluated. The procedures used for validating the responses were essentially the same as those used for the 1976-77 study. These procedures proved to be effective in responding to the various types of responses received. Applicants (or their parents) who supplied incomplete or incorrect responses were sent additional request letters which listed the specific documents which they still needed to supply and/or the corrections that needed to be made to the information reported on the Student Eligibility Report. Applicants (or their parents) were given thirty days to respond to this letter. If no response was received, the applicant's award was suspended and the "award suspension" letters mentioned previously were sent both to the student and to the financial aid officer at the school the student attended. In this year's study it was found that many applicants (or their parents) did not keep copies of their 1976 Federal Income Tax forms and were only able to provide copies of their 1976 W-2 Wage and Tax Statements. Since the tax form was needed to verify the amount of Federal Income Taxes paid, a new additional request letter which requested the number of exemptions taken on the 1976 tax form was developed. With this number the amount of taxes which the applicant (or the applicant's parents) would have been required to pay could be calculated.

If the applicant or his/her parents responded with the required documents and if these documents verified that the information originally reported on the Student Eligibility Report was correct, then a letter acknowledging this fact was sent to the applicant (or applicant's parents) and the validation cycle was completed. If the information on the Student Eligibility Report did not agree with the corresponding information on the documents and the applicant made the appropriate corrections to the Report, the Report was forwarded to the processing contractor for reprocessing. The new corrected Report was then sent to the applicant and the validation contractor sent letters to the applicant or his/her parents and to the applicant's financial aid officer acknowledging the acceptance of the corrected Report. The applicant was told to take the new corrected Report to his/her Financial Aid Officer and the latter was told to expect the new Report and was instructed to adjust the student's award, if necessary.

As previously stated, follow-up letters were sent to applicants at thirty-day intervals. Therefore, if an applicant responded after the second follow-up letter and then received an additional request letter, he/she could conceivably have 120 days to respond satisfactorily before being suspended. However, a person responding to the initial letter and then receiving an additional request letter would have only sixty days before possible suspension. In an effort to insure that all applicants would be treated equitably, the Basic Grant Program Division of Certification and Program Review requested that processing procedures be modified to include two additional follow-up letters. The first letter was sent to those persons who responded unsatisfactorily to the initial letter and the additional request letter. This letter was essentially a second additional request letter. The second letter was sent to those persons who responded to the initial letter, received an additional request letter and did not respond to it.

3.3: APPROACH TO DATA ANALYSIS

Like the Institution Referral Study, analysis of Pre-established Criteria Study data was conducted through the use of simple descriptive statistics such as univariate and joint frequency distributions. Depending on the purpose for which the data are presented, distributions were developed to indicate absolute and/or relative frequencies. Because more data were available for analysis for the Pre-established Criteria Study than for the Institution Referral Study, greater analytical use was made of measures of central tendency in the present chapter. However, as in the previous chapter, no use was made of inferential statistics.

Variables considered in the Pre-established Criteria Study were those directly relevant to the basic study objectives presented in the Introduction to this report. Variables were considered which provided information relative to: 1) the degree of actual and potential program abuse; 2) the characteristics of applicants likely to misreport data and 3) procedures for screening and correcting erroneous applications.

Independent Variables

The main independent variables were the criteria by which applicants were selected. Five main criteria were selected for the Pre-established Criteria Study from which thirty different combinations were derived. The five main criteria are described in Section 3.2.

The combinations of these five criteria, as previously shown in Exhibit B, were arranged so that the complete spectrum of error types within the criteria would be covered.

In addition to these sampling criteria, personal characteristics of applicants comprised a set of independent variables: dependency status, income level, and year in school. Categories for the first two variables are identical to the ones used in the Institution Referral study. Year in school was defined as follows:

- student's year in school
  - first year
  - second year
  - third year
  - fourth year
  - other/unknown

As in the Institution Referral Study, the size and control of the institutions in which the applicants were enrolled were used as independent variables.

Dependent Variables

The Pre-established Criteria Study examined several dependent variables, all of which were also used in the Institution Referral study. The first variable consisted of actual confirmed SER discrepancies, which includes categories that are identical to those considered in the Institution Referral Study. The incidence of actual discrepancies identified through this variable was considered important in identifying aspects of the Basic Grant application which are unclear to many applicants.

The mode of case resolution is another dependent variable considered in this study. This variable is important in that the information provided should indicate the effectiveness of the criteria which can then be assessed for future validation efforts. Finally, changes in Student Eligibility Indices and key SER data fields were also considered as critical dependent variables for analysis.

3.4: PRE-ESTABLISHED CRITERIA STUDY RESULTS: CASE STATISTICS

The following text is divided into five sections, each describing a key area in the analysis of data pertaining to the Pre-established Criteria Study. Section 3.4.1 examines the mode of case resolution. The distribution of confirmed SER errors is explored in Section 3.4.2. Section 3.4.3 assesses the impact of changes made to SERs on Student Eligibility Indices, while Section 3.4.4 examines

the impact of corrections to individual SER data fields. Finally, Section 3.4.5 examines the relationship of the criteria according to which students were selected by the previously-mentioned types of study results. Findings for the 1,120 cases selected according to the ACT criteria are presented in Section 3.6.

3.4.1: Mode of Case Resolution

Validation efforts were undertaken for a total of 8,006 applicants whose SERs contained one or more data items which, on the basis of previous studies, had a high probability of being in error. Of these 8,006 selected cases, 7,743 were resolved at the time this report was prepared. The remaining 263 cases are in various follow-up stages of processing.

Resolution for each Pre-Established Criteria case was established in one of several manners, which parallel the resolution modes for Institution Referral cases. The appropriate resolution modes are:

- submission of a valid correction to his/her Student Eligibility Report (with completion of SER reprocessing)
- submission of documentation reaffirming the validity of application data
- resolution through a policy decision by the Office of Education staff
- inability to contact the student or his/her parents (mail returned "addressee unknown," or "moved, left no forwarding address")
- total non-response to all communications
- non-response to additional information requests
- submission of unacceptable response to additional information request
- non-use of Basic Grant Award
- submission of a valid correction to his/her Student Eligibility Report (although SER correction not processed as of the time of report preparation)
- non-use of Basic Grant Award
- submission of a valid correction to his/her Student Eligibility Report (although SER correction not processed as of the time of report preparation)

As with Institution Referral cases, cases were placed "on hold" with the application processor upon selection for study. Upon satisfactory closure (SER corrections, valid documentation, OE policy resolution) the cases were released from hold. If any future Basic Grant applications are received from the non-respondents, the student will be instructed to contact the validation processor to resolve prior discrepancies before his/her application will be processed.

Table 3.1 presents the distribution of resolution modes for independent and dependent students. Examination of the total column indicates that, overall, almost half of the 8,006 selected cases (44.3%) were closed due to valid corrections (which had been processed). An additional 3.3 percent of the cases were closed for valid SER corrections, although the SERs had not yet been processed, bringing the total proportion of closures due to valid corrections to 47.6 percent. Over one-third of the selected cases (36.2%) were closed due to non-response--either total non-response or non-response to additional requests (19.2% and 17.0%, respectively). It is equally interesting to note that very few cases were as yet unresolved (3.3%), and very few cases were closed for acceptable documentation (4.8%). That is, few students who were selected according to these criteria were determined to have error-free SERs; this finding suggests that the currently-used Pre-Established Criteria are fairly successful for purposes of identifying error-prone cases.

There are some marked differences between the closure patterns for 1977-78 cases as compared to 1976-77 cases, as presented in the following text table. Almost half of last year's cases were

		Mode of Case Closure				
	Total Cases	Acceptable Documentation	Corrected SERs	Non-Response	Unresolved	Other
1977-78	8006 (100.0%)	381 (4.8%)	3783 (47.3%)	2896 (36.2%)	263 (3.3%)	683 (8.5%)
1976-77	6005 (100.0%)	381 (6.3%)	1215 (20.2%)	1285 (21.4%)	2729 (45.4%)	395 (6.6%)

TABLE 3.1

DISTRIBUTION OF MODE OF RESOLUTION BY DEPENDENCY STATUS (PRE-ESTABLISHED AND ACT CRITERIA)

--- MODE OF RESOLUTION ---	TOTAL PEC	TOTAL ACT	DEPENDENT PEC	DEPENDENT ACT	INDEPENDENT PEC	INDEPENDENT ACT	
TOTAL	8,006	1,128	6,617	669	1,389	459	SC
	100.0	100.0	100.0	100.0	100.0	100.0	CC
01 VALID SEX CONNECTION	3,543	219	3,067	149	476	66	SC
	44.3	19.2	46.4	22.3	34.3	14.4	CC
02 ACCEPTABLE DOCUMENTATION	361	125	303	83	58	42	SC
	4.6	11.0	4.6	12.4	5.0	9.2	CC
03 OE RESOLUTION	48	4	41	2	7	2	SC
	0.6	0.4	0.6	0.3	0.5	0.4	CC
04 UNABLE TO CONTACT STUDENT	117	40	94	10	23	30	SC
	1.5	3.6	0.9	1.5	1.7	6.7	CC
05 TOTAL NON-RESPONSE	1,537	279	1,248	136	317	134	SC
	19.2	24.1	18.9	20.3	22.8	29.7	CC
06 NON-RESPONSE TO ADDITIONAL REQUEST	1,359	179	1,114	95	245	84	SC
	17.0	16.0	16.8	14.2	17.6	18.6	CC
07 UNACCEPTABLE RESPONSE	333	94	274	64	59	30	SC
	4.2	8.4	4.1	9.6	4.2	6.7	CC
08 NON-USE OF GRANT	185	19	137	10	48	8	SC
	2.3	1.6	2.1	1.5	3.5	1.8	CC
SEX CORRECTION NOT YET PROCESSED	248	78	203	57	37	13	SC
	3.0	6.3	3.1	8.5	2.7	2.8	CC
CASE UNRESOLVED	203	107	204	63	59	44	SC
	3.3	9.6	3.1	9.4	4.2	9.8	CC

BEST COPY AVAILABLE

unresolved at the time of the 1976-77 report preparation, compared to an unresolved figure of 3.3 percent for this year's study. Whereas the nom-response rate was higher in 1977-78 than 1976-77, the rate at which SERs were corrected were also much higher. It appears that significant improvements have been made to the 1977-78 validatiom process and/or the Pre-established Criteria. In particular, whereas a student was closed for non-response if he/she did not provide an acceptable response after three transactions in 1976-77, the 1977-78 cases were given more opportunities to correct erroneous SERs. This procedural difference alone may account for the higher proportion of SER corrections in 1977-78. The increase in non-response should not be considered to indicate a failure in the 1977-78 procedures as compared to the 1976-77 study, since most of the high number of 1976-77 unresolved cases were eventually closed due to non-response.

To return to Table 3.1, some differences are evidenced in patterns of case resolution by dependency status. Porportionately more dependent students' cases than independent students' were closed for valid SER corrections (46.4% vs. 34.3%), and proportionately fewer dependent students' cases were closed due to total non-response (18.4% vs. 22.8%). This finding is consistent with differences between dependent and independent students evidenced during the 1976-77 study: over the two-year period, independent students were less likely to submit corrected SERs and more likely to be non-respondents than dependent students. These findings may be explained by the relative difficulty the validation contractor has consistently experienced in contacting independent students and the fact that no secondary sources of data are readily available for this group of applicants (as compared to information from parents which is often accessed for dependent students).

In terms of patterns of resolution modes within income groups, Table 3.2 indicates that a linear relationship exists between income level and proportion of cases resolved for a given reason within three resolution reasons. That is, as students' income levels increase, they are more likely to submit valid (and processed) SER

TABLE 3.2

DISTRIBUTION OF MODE OF RESOLUTION BY INCOME LEVEL (NON-STANDARDIZED CATEGORIES)

--- MODE OF RESOLUTION ---	TOTAL	*** INCOME LEVELS *** LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000
TOTAL	6,000	686	967	1,914	1,001	1,499	1,257	932
	100.0	8.4	11.6	12.7	48.0	18.3	16.9	11.9
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	100.0	8.4	11.6	12.7	48.0	18.3	16.9	11.9
01 VALID SEM CORRECTION	3,343	214	339	487	129	848	671	499
	100.0	6.2	9.2	11.3	20.3	19.4	18.9	14.1
	44.3	31.2	36.2	48.1	42.3	46.8	47.4	52.4
	44.3	2.7	4.2	5.1	9.1	8.8	8.4	6.2
02 ACCEPTABLE DOCUMENTATION	341	38	49	72	36	73	69	47
	100.0	10.8	7.3	18.9	10.6	19.7	19.1	12.3
	4.6	5.5	3.8	7.1	3.6	5.1	5.1	4.9
	4.8	0.5	0.3	0.9	0.4	0.9	0.9	0.6
03 NE RESOLUTION	48	3	3	4	13	11	4	8
	100.0	6.3	6.3	8.3	41.3	22.9	8.3	16.7
	0.6	0.4	0.3	0.4	0.9	0.7	0.3	0.8
	0.6				0.6	0.1		0.1
04 UNABLE TO CONTACT STUDENT	117	27	36	13	20	9	8	4
	100.0	23.1	30.8	11.1	17.1	7.7	6.8	3.4
	1.5	3.9	3.9	1.3	1.6	0.6	0.6	0.4
	1.5	0.3	0.4	0.2	0.2	0.1	0.1	
05 TOTAL NON-RESPONSE	1,037	137	211	168	315	278	251	165
	100.0	6.9	13.7	12.2	40.3	17.6	16.3	10.7
	17.2	20.0	22.8	10.5	19.7	18.4	18.5	17.3
	17.2	1.7	2.6	2.3	3.9	3.4	3.1	2.1
06 NON-RESPONSE TO ADDITIONAL REQUEST	1,239	138	168	193	291	243	207	141
	100.0	10.2	12.4	14.2	17.6	18.8	15.2	10.4
	17.8	20.1	18.1	19.8	16.7	16.7	15.3	14.8
	17.8	1.7	2.1	2.4	3.6	3.1	2.6	1.8
07 UNACCEPTABLE RESPONSE	333	91	91	46	27	23	51	24
	100.0	15.3	15.3	13.8	17.1	15.9	15.3	7.2
	4.2	7.4	5.9	4.5	3.6	3.0	3.8	2.5
	4.2	0.6	0.6	0.6	0.7	0.7	0.6	0.3
08 NON-USE OF GRANT	149	23	27	19	29	27	24	22
	100.0	13.3	14.6	10.3	21.1	14.6	14.1	11.9
	2.3	3.6	2.9	1.9	2.6	1.8	1.9	2.3
	2.3	0.3	0.3	0.2	0.3	0.3	0.3	0.3
SEM CORRECTION BUT SLI PROCESSED	240	28	39	34	27	27	29	23
	100.0	8.3	12.3	14.2	23.8	12.6	10.3	9.6
	3.8	2.9	3.6	3.4	3.6	2.5	2.9	2.4
	3.9	0.2	0.4	0.4	0.7	0.5	0.5	0.3

ARAR ARAR ARAR ARAR ARAR ARAR ARAR ARAR ARAR ARAR

BEST COPY AVAILABLE

TABLE 3.2

DISTRIBUTION OF MODE OF RESOLUTION BY INCOME LEVEL (PRE-ESTABLISHED CRITERIA)

		*** INCOME LEVELS ***							
--- MODE OF RESOLUTION ---	TOTAL	LESS THAN 1,501	1,501- 4,999	5,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	
CASE UNRESOLVED.....	293	33	37	38	61	34	31	19	
	100.0	12.5	14.1	14.4	19.0	20.6	11.8	7.2	SC
	3.3	4.8	4.8	3.7	3.2	3.7	2.3	2.8	MC
	3.3	8.4	8.8	8.8	8.8	8.7	8.4	8.2	GC

S.15

BEST COPY AVAILABLE

corrections, less likely to submit an unacceptable response, and less likely to have their case unresolved. Only one of these three findings was evidenced for 1976-77 cases as well: in the 1976-77 study, it was also determined that higher income students were more likely to submit valid SER corrections.

There were few associations between applicants' year in school and resolution modes (see Table 3.3). Underclassmen (first and second year students) were less likely to submit valid SER corrections than upperclass students for both dependent and independent students. That is, for first, second, third, and fourth year dependent students, 43.0, 49.1, 53.5, and 53.3 percent of the cases, respectively, were closed for valid SER corrections. The same figures for independent students are 29.2, 38.6, 42.3, and 32.5 percent, respectively. This same association was apparent within the 1976-77 Pre-established Criteria cases as well.

Based on the previously discussed associations between applicant characteristics and resolution mode, the following profiles may be established for the type of student whose case is most likely to be closed for the following two critical reasons: SER correction and non-response. These profiles are presented in the following text table.

Closure Mode	Most Likely Applicant Type[1/]
Valid SER correction	Higher-income dependent upperclass student
Non-response	Independent student

[1/] Each characteristic is by itself, indicative of a relatively high closure rate for that reason. Interactions among the characteristics were not examined.

The profile for students likely to submit valid SER corrections is constant for 1976-77 and 1977-78 applicants.

TABLE 3.3

MODE OF CASE RESOLUTION BY APPLICANT'S YEAR IN SCHOOL AND DEPENDENCY STATUS (PRE-ESTABLISHED CRITERIA)

--- MODE OF RESOLUTION ---	*** YEAR IN SCHOOL - DEPENDENT *** TOTAL	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	OTHER-UNKNOWN	*** YEAR IN SCHOOL - INDEPENDENT *** TOTAL	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	OTHER-UNKNOWN	
TOTAL	6,617	2,274	1,518	1,021	567	1,237	1,389	384	324	248	103	270	SC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
01 VALID SER CONNECTION	3,067	977	745	546	302	497	476	112	125	105	53	81	SC
	46.4	43.0	49.1	53.5	53.3	40.2	34.3	29.2	38.6	42.3	32.5	30.0	CC
02 ACCEPTABLE DOCUMENTATION	303	93	73	57	37	41	78	24	19	13	6	16	SC
	4.6	4.1	4.8	5.6	6.5	3.3	5.6	6.3	5.9	5.2	3.7	5.9	CC
03 DE RESOLUTION	41	16	8	3	3	11	7	1	2	1	3		SC
	0.6	0.7	0.5	0.3	0.5	0.9	0.5	0.3	0.6	0.4	1.8		CC
04 UNABLE TO CONTACT STUDENT	54	19	8	9	4	14	63	25	10	7	3	18	SC
	0.8	0.8	0.5	0.9	0.7	1.1	4.5	6.5	3.1	2.8	1.8	6.7	CC
05 TOTAL NON-RESPONSE	1,220	476	250	143	91	260	317	92	75	46	38	66	SC
	18.4	20.9	16.5	14.0	16.0	21.0	22.8	24.0	23.1	18.5	23.3	24.4	CC
06 NON-RESPONSE TO ADDITIONAL REQUEST	1,114	412	251	135	78	238	245	66	57	37	35	50	SC
	16.8	18.1	16.5	13.2	13.8	19.2	17.6	17.2	17.6	14.9	21.5	18.5	CC
07 UNACCEPTABLE RESPONSE	274	91	68	48	13	54	59	20	9	13	4	13	SC
	4.1	4.0	4.5	4.7	2.3	4.4	4.2	5.2	2.8	5.2	2.5	4.8	CC
08 NON-USE OF GRANT	137	47	32	19	8	31	48	19	8	8	7	6	SC
	2.1	2.1	2.1	1.9	1.4	2.5	3.5	4.9	2.5	3.2	4.3	2.2	CC
SER CORRECTION NOT YET PROCESSED	203	73	38	29	17	46	37	7	9	11	5	5	SC
	3.1	3.2	2.5	2.8	3.0	3.7	2.7	1.8	2.8	4.4	3.1	1.9	CC
CASE UNRESOLVED	204	70	45	32	12	45	59	18	10	7	9	15	SC
	3.1	3.1	3.0	3.1	2.1	3.6	4.2	4.7	3.1	2.8	5.5	5.6	CC

3.17

BEST COPY AVAILABLE

3.4.2: Distribution of Confirmed SER Errors

Of the 7,743 cases that were resolved as of June 30, 1978, 3,783 had one or more confirmed SER errors (i.e., were closed for valid SER corrections). Among this group of 3,783 students, a total of 11,011 discrepancies were identified and corrected; that is, on the average, 2.9 individual errors were corrected in each case that was closed for this reason. The distribution of errors among the cases is summarized in the following text table, and this year's confirmed errors are compared to the ones identified in the 1976-77 processing period.

Validation Year	Total	Adjusted Gross Income	Portions Earned[1/]	Taxes Paid	Non-Taxable Income	Postsecondary Offset	Household Size Offset	Other
1977-78	3783 (100.0%)	2246 (59.4%)	2582 (68.3%)	3016 (79.7%)	860 (22.7%)	948 (25.1%)	930 (24.6%)	429 (11.3%)
1976-77	1215 (100.0%)	659 (54.2%)	—	932 (76.7%)	261 (21.5%)	434 (35.7%)	250 (20.6%)	71 (6.3%)

[1/] Included as part of adjusted gross income for 1976-77. Therefore, a 1976-77 case that had an error in both adjusted gross income and portions earned is counted only once in the 1976-77 adjusted gross income column.

Over three-quarters (79.7%) of the 1977-78 cases closed for valid SER corrections had a discrepancy in the taxes paid entry. Two-thirds of the 1977-78 cases contained an error in portions of adjusted gross income earned by the mother and father or applicant and spouse, while an additional 59.4 percent of the cases had an error in the total adjusted gross income entry. With the exception of the error rate in the portions earned entry, which was not differentiated from adjusted gross income in the 1976-77 study, the error rates for almost all of the key SER entries are very similar between the two processing years. However, there was a significant decrease in the proportion of cases containing a postsecondary offset error from 1976-77 to 1977-78 (-10.6%).

Table 3.4 examines the relationship between applicants' dependency status and SER discrepancies confirmed. In almost all instances, a slightly higher proportion of the dependent students' SERs contained the error in question than the independent students' SERs. Most notably, more dependent students had portions earned errors (70.5% vs. 53.2%) and adjusted gross income errors (60% vs. 50.2%).

Differences are exhibited in the pattern of actual discrepancies as a function of applicants income levels as well, as indicated in Table 3.5. As might be expected, adjusted gross income errors were more predominant in the higher income groups: the error rate for applicants with incomes of $7500 and less ranged between 50.0 percent and 54.8 percent, while the error rate among the higher income groups varied between 58.9 percent and 62.6 percent. In a similar manner, applicants in the two lowest income groups had a lower portions earned error rate than higher income individuals (54.7% and 50.6%, respectively, compared to the overall average of 68.1%). Taxes paid errors occurred in the "less than $1501" income group at a much lower rate than average (47.2% vs. an overall figure of 80.6%). These three findings indicate that lower income applicants have lower error rates for those income-related entries in which, of course, they have lesser amounts to report; which, conversely, suggests that higher error rates are associated with entries have relatively larger absolute values. This observation is supported by the other relationship evidenced between income and error rates: as income levels increase, the rate of error in reporting non-taxable income decreases (the rates decrease from 61.2% for the lowest income group to 7.2% for the highest income group). That is, low income applicants would be expected to report larger amounts of non-taxable income (e.g., unemployment compensation, welfare, Social Security benefits, etc.) and they also evidence the highest error rates in this area.

Differences in the relative frequency of other types of SER errors as a function of income level were minor.

TABLE 3.4

DUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY DEPENDENCY STATUS
(PRE-ESTABLISHED AND ACT CRITERIA)

--- ACTUAL DISCREPANCY ---	TOTAL		DEPENDENT		INDEPENDENT		SER CORRECTIONS NOT YET PROCESSED		
	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	
TOTAL.....	3,783	285	3,067	149	476	66	240	70	SC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
ADJUSTED GROSS INCOME - 12,13.....	2,246	99	1,860	57	239	15	147	27	SC
	59.4	34.7	60.6	38.3	50.2	22.7	61.3	38.6	CC
TAXES PAID - 16,17,18.....	3,016	59	2,497	36	358	12	161	11	SC
	79.7	20.7	81.4	24.2	75.2	18.2	67.1	15.7	CC
DEPENDENCY STATUS - 02.....	12	7	5		4	5	3	2	SC
	0.3	2.8	0.2		0.8	7.6	1.3	2.9	CC
ASSETS - 21.....	66	23	52	13	9	3	8	7	SC
	1.7	8.1	1.7	8.7	1.3	4.5	3.3	10.0	CC
CITIZENSHIP - 01.....									
NON-TAXABLE INCOME - 08,09,10,11.....	860	114	662	57	132	23	66	34	SC
	22.7	40.0	21.6	38.3	27.7	34.8	27.5	48.6	CC
PORTIONS EARNED - 14,15.....	2,582	124	2,101	77	253	16	168	31	SC
	68.3	43.5	70.5	51.7	53.2	24.2	70.0	44.3	CC
POST HIGH ENROLLMENT - 05,06,07.....	948	26	792	16	92	1	64	9	SC
	25.1	9.1	25.8	10.7	19.3	1.5	26.7	12.9	CC
HOUSEHOLD SIZE - 04.....	930	77	759	22	99	34	72	21	SC
	24.6	27.0	24.7	14.8	20.8	51.5	30.0	30.0	CC
VETERAN'S BENEFITS - 23.....	3	1	3			1			SC
	0.1	0.4	0.1			1.5			CC
UNUSUAL EXPENSES - 19,20.....	83	7	70	5	7	1	6	1	SC
	2.2	2.5	2.3	3.4	1.5	1.5	2.5	1.4	CC
APPLICANT SAVINGS - 22.....	7	2	5	1	1		1	1	SC
	0.2	0.7	0.2	0.7	0.2		0.4	1.4	CC
PRIOR ENROLLMENT - 24.....									
OTHER - 25,03,28,30.....	199	26	160	12	13	6	26	8	SC
	5.3	9.1	5.2	8.1	2.7	9.1	10.8	11.4	CC
NONE - 27.....	59	4	26		5		28	4	SC
	1.6	1.4	0.8		1.1		11.7	5.7	CC
UNKNOWN - 26.....									

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 2.5

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED CRITERIA)

	TOTAL		LESS THAN 1,001		1,001-4,000		4,001-7,500		7,501-10,000		
--- ACTUAL DISCREPANCY ---	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	
TOTAL.....	3,543	3,543	214	214	336	336	407	407	728	728	SC
	100.0	100.0	6.0	6.0	9.5	9.5	11.5	11.5	20.5	20.5	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	453.1	269.3	496.0	316.9	619.6	286.5	261.1	169.4	548.7	278.8	MN
ADJUSTED GROSS INCOME = 12,13.....	2,099	2,099	117	117	166	166	223	223	453	453	SC
	100.0	100.0	5.6	5.6	8.0	8.0	10.6	10.6	21.6	21.6	HC
	59.2	59.2	54.7	54.7	50.0	50.0	54.8	54.8	62.2	62.2	CC
	619.0	347.0	746.0	476.5	580.7	361.0	399.7	252.3	754.7	356.3	MN
TAXES PAID = 16,17,18.....	2,855	2,855	181	181	261	261	257	257	611	611	SC
	100.0	100.0	3.5	3.5	9.1	9.1	9.0	9.0	21.4	21.4	HC
	80.6	80.6	47.2	47.2	77.7	77.7	63.1	63.1	83.9	83.9	CC
	478.9	282.2	768.5	456.7	642.8	298.6	385.8	206.6	574.7	283.6	MN
DEPENDENCY STATUS = 02.....	9	9			4	4	2	2	2	2	SC
	100.0	100.0			44.4	44.4	22.2	22.2	22.2	22.2	HC
	0.3	0.3			1.2	1.2	0.5	0.5	0.3	0.3	CC
	59.1	59.1			338.3	338.3	-72.0	-72.0	-156.5	-156.5	MN
ASSETS = 21.....	58	58	4	4	3	3	6	6	18	18	SC
	100.0	100.0	6.9	6.9	5.2	5.2	10.3	10.3	31.0	31.0	HC
	1.6	1.6	1.9	1.9	0.9	0.9	1.5	1.5	2.5	2.5	CC
	513.1	291.2	365.5	186.8			405.7	366.0	366.3	179.4	MN
CITIZENSHIP = 01.....											
NON-TAXABLE INCOME = 08,09,10,11.....	794	794	131	131	134	134	132	132	158	158	SC
	100.0	100.0	16.5	16.5	16.9	16.9	16.6	16.6	19.9	19.9	HC
	22.4	22.4	61.2	61.2	39.9	39.9	32.4	32.4	21.7	21.7	CC
	434.2	266.1	375.3	248.8	384.2	217.8	285.3	168.6	458.1	292.3	MN
PORTIONS EARNED = 14,15.....	2,414	2,414	117	117	170	170	287	287	507	507	SC
	100.0	100.0	4.8	4.8	7.0	7.0	11.9	11.9	21.0	21.0	HC
	68.1	68.1	54.7	54.7	50.6	50.6	70.5	70.5	69.6	69.6	CC
	637.3	363.5	674.8	426.3	575.8	350.8	416.6	250.1	717.1	370.3	MN
POST HIGH ENROLLMENT = 05,06,07.....	884	884	48	48	72	72	109	109	189	189	SC
	100.0	100.0	4.5	4.5	8.1	8.1	12.3	12.3	21.4	21.4	HC
	25.0	25.0	18.7	18.7	21.4	21.4	26.8	26.8	26.0	26.0	CC
	665.5	326.8	367.2	197.2	503.6	356.1	202.8	166.6	1052.8	313.9	MN
HOUSEHOLD SIZE = 04.....	858	858	49	49	85	85	118	118	177	177	SC
	100.0	100.0	5.7	5.7	9.9	9.9	13.8	13.8	20.6	20.6	HC
	24.2	24.2	22.9	22.9	25.3	25.3	29.0	29.0	24.3	24.3	CC
	560.1	353.1	626.2	364.7	645.2	447.7	284.1	205.2	514.5	377.2	MN

BEST COPY AVAILABLE

TABLE 3.5

UNDUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED CRITERIA) - CONT.

--- ACTUAL DISCREPANCY ---	TOTAL ABSOLUTE	TOTAL EFFECTIVE	10,001-12,000 ABSOLUTE	10,001-12,000 EFFECTIVE	12,001-15,000 ABSOLUTE	12,001-15,000 EFFECTIVE	GREATER THAN 15,000 ABSOLUTE	GREATER THAN 15,000 EFFECTIVE	
	*** INCOME LEVELS ***								
TOTAL	3,543	3,543	688	688	671	671	499	499	SC
	100.0	100.0	19.4	19.4	18.9	18.9	14.1	14.1	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	453.1	269.3	402.7	284.8	460.9	281.2	532.9	260.5	MN
ADJUSTED GROSS INCOME - 12,13	2,099	2,099	431	431	413	413	294	294	SC
	100.0	100.0	20.5	20.5	19.7	19.7	14.0	14.0	MC
	59.2	59.2	62.6	62.6	61.5	61.5	58.9	58.9	CC
	619.0	347.8	538.1	369.8	611.9	352.5	677.0	304.3	MN
TAXES PAID - 16,17,18	2,855	2,855	601	601	592	592	432	432	SC
	100.0	100.0	21.1	21.1	20.7	20.7	15.1	15.1	MC
	80.6	80.6	87.4	87.4	88.2	88.2	86.6	86.6	CC
	478.4	282.2	483.4	284.8	478.0	287.7	511.2	268.4	MN
DEPENDENCY STATUS - 02	9	9					1	1	SC
	100.0	100.0					11.1	11.1	MC
	0.3	0.3					0.2	0.2	CC
	59.1	59.1					-364.0	-364.0	MN
ASSETS - 21	58	58	7	7	14	14	6	6	SC
	100.0	100.0	12.1	12.1	24.1	24.1	10.3	10.3	MC
	1.6	1.6	1.0	1.0	2.1	2.1	1.2	1.2	CC
	513.1	251.2	1501.4	481.6	310.4	223.3	702.5	316.8	MN
CITIZENSHIP - 01									
NON-TAXABLE INCOME - 08,09,10,11	794	794	119	119	84	84	36	36	SC
	100.0	100.0	15.0	15.0	10.6	10.6	4.5	4.5	MC
	22.4	22.4	17.3	17.3	12.5	12.5	7.2	7.2	CC
	434.2	266.1	588.9	381.1	644.3	339.5	602.8	261.6	MN
POINTS EARNED - 14,15	2,414	2,414	489	489	499	499	345	345	SC
	100.0	100.0	20.3	20.3	20.7	20.7	14.3	14.3	MC
	68.1	68.1	71.1	71.1	74.4	74.4	69.1	69.1	CC
	637.3	363.5	688.5	405.0	662.3	378.8	736.9	344.1	MN
POST HIGH ENROLLMENT - 05,06,07	884	884	154	154	165	165	155	155	SC
	100.0	100.0	17.4	17.4	18.7	18.7	17.5	17.5	MC
	25.0	25.0	22.4	22.4	24.6	24.6	31.1	31.1	CC
	665.5	326.8	446.9	338.8	661.8	402.8	892.1	377.9	MN
HOUSEHOLD SIZE - 04	858	858	156	156	150	150	123	123	SC
	100.0	100.0	18.2	18.2	17.5	17.5	14.3	14.3	MC
	24.2	24.2	22.7	22.7	22.4	22.4	24.6	24.6	CC
	560.1	353.1	519.4	376.3	675.2	380.2	716.3	331.7	MN

BEST COPY AVAILABLE

TABLE 3.5

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED CRITERIA)

	TOTAL		LESS THAN 1,001		1,001-4,000		4,001-7,500		7,501-10,000	
--- ACTUAL DISCREPANCY ---	*** INCOME LEVELS ***									
	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE
VETERAN'S BENEFITS - 23.....	3	3	1	1			1	1		
	100.0	100.0	33.3	33.3			33.3	33.3		
	0.1	0.1	0.0	0.0			0.2	0.2		
	5.7	5.7	-574.0	-574.0						
UNUSUAL EXPENSES - 19,20.....	77	77	4	2	14	13	3	3	14	14
	100.0	100.0	2.6	2.6	18.6	16.6	3.9	3.9	18.2	18.2
	2.2	2.2	0.0	0.0	3.0	3.0	0.7	0.7	1.9	1.9
	649.0	384.2	-287.0	-287.0	274.0	175.7	-203.3	-203.3	1184.5	689.9
APPLICANT SAVINGS - 22.....	6	6					1	1	3	3
	100.0	100.0					16.7	16.7	50.0	50.0
	0.2	0.2					0.2	0.2	0.4	0.4
	346.5	195.0					-227.0	-227.0	518.0	282.7
PRIOR ENROLLMENT - 24.....										
OTHER - 25,03,28,38.....	173	173	11	11	10	10	18	18	44	44
	100.0	100.0	6.4	6.4	5.8	5.8	10.4	10.4	25.4	25.4
	4.9	4.9	5.1	5.1	3.8	3.8	4.4	4.4	6.3	6.3
	593.8	358.9	676.9	411.2	636.3	405.3	438.3	333.9	883.7	384.8
NONE - 27.....	31	31	1	1	9	6	6	6	7	7
	100.0	100.0	3.2	3.2	19.4	19.4	19.4	19.4	22.6	22.6
	0.9	0.9	0.6	0.6	1.8	1.8	1.5	1.5	1.8	1.8
	323.4	221.3			183.2	183.2	142.3	142.3	884.6	269.7
UNKNOWN - 26.....										
MULTIPLE -										

NOTE: TOTAL NUM(S) REPRESENT CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 3.5

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED CRITERIA) - CONT.

	*** INCOME LEVELS ***								
	TOTAL		$10,001-$12,000		$12,001-$15,000		GREATER THAN $15,000		
--- ACTUAL DISCREPANCY ---	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	
VETERAN'S BENEFITS - 23.....	3	3	1	1					SC
	100.0	100.0	33.3	33.3					MC
	0.1	0.1	0.1	0.1					CC
	5.7	5.7	591.0	591.0					MM
UNUSUAL EXPENSES - 19,29.....	77	77	11	11	21	21	14	14	SC
	100.0	100.0	14.3	14.3	27.3	27.3	18.2	18.2	MC
	2.2	2.2	1.6	1.6	3.1	3.1	2.8	2.8	CC
	649.0	384.2	1074.0	459.6	542.0	305.9	609.1	494.6	MM
APPLICANT SAVINGS - 22.....	6	6	1	1	1	1			SC
	100.0	100.0	16.7	16.7	16.7	16.7			MC
	0.2	0.2	0.1	0.1	0.1	0.1			CC
	346.5	195.5	525.0	525.0	227.0	47.0			MM
PRIOR ENROLLMENT - 24.....									
OTHER - 25,03,26,30.....	173	173	30	30	43	43	15	15	SC
	100.0	100.0	17.3	17.3	24.9	24.9	8.7	8.7	MC
	4.9	4.9	4.4	4.4	6.4	6.4	3.8	3.8	CC
	593.6	358.9	572.0	291.0	611.9	302.9	714.5	348.2	MM
NONE - 27.....	31	31	4	4	6	6	1	1	SC
	100.0	100.0	12.9	12.9	19.4	19.4	3.2	3.2	MC
	0.9	0.9	0.6	0.6	0.9	0.9	0.2	0.2	CC
	323.4	221.3	218.5	218.5	184.8	184.8	829.0	676.0	MM
UNKNOWN - 28.....									
MULTIPLE -									

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

S-2-44

BEST COPY AVAILABLE

Applicants' year in school had no significant relationship to the distribution of confirmed SER errors, as indicated in Table 3.6. That is, the rate of error associated with each SER element is highly consistent among first, second, third, and fourth year students.

3.4.3: Changes in Student Eligibility Indices

One of the primary objectives of the Pre-Established Criteria study was to correct SERs which were determined to be in error and, as a consequence, effect a cost savings to the Basic Grant program. Of the 3783 SERs which were determined to be in error and to which corrections were made, 3543 SERs had been reprocessed (i.e., a final SEI had been computed) in time for inclusion in this report. Therefore, discussion of SEI change is based upon the latter group of 3543 applicants. During the 1976-77 validation study, 1215 SER corrections were made and, of that group, 926 were processed in time for last year's report.

The magnitude of SEI changes that resulted from corrected SERs are compared for 1977-78 and 1976-77 in the following text table.

Magnitude of Absolute SEI Changes: 1976-77 vs. 1977-78

Magnitude of SEI Change	1976-77 (% of Cases)	1977-78 (% of Cases)
Increase of more than 300 points	245 (26.5%)	1423 (40.2%)
Increase of 1-300 points	314 (33.9%)	1122 (31.7%)
No change	280 (30.2%)	651 (18.4%)
SEI decrease	87 (9.4%)	347 (9.8%)
Average absolute SEI change	294.0	453.1
Average effective SEI change	189.9	269.3

The most striking difference in the patterns of SEI change between the two years is that a far greater proportion of the 1977-78 cases had absolute SEI changes that exceeded 300 points than did the 1976-77 cases (40.2% and 26.5%, respectively). Corresponding, the average SEI change, both effective and absolute, is greater for 1977-78 cases than for 1976-77 cases. The 1977-78 average effective SEI change is approximately 80 points higher than the 1976-77 figure, which represents a greater cost savings to the Basic Grant program.

Table 3.5 presented absolute and effective SEI changes for each SER entry by income levels. Corrected errors in post high enrollment and unusual expenses resulted in the largest average absolute SEI changes (665.5 and 649.0, respectively), while corrections to portions earned and adjusted gross income fields also resulted in substantial average absolute SEI changes (637.3 and 619.0, respectively). Veteran's educational benefits and dependency status corrections resulted in quite small average absolute SEI changes (5.7 and 59.1, respectively). In terms of income, the only significant difference in average SEI change figures among income groups was that respondents who reported an adjusted gross income between $4001 and $7500 had smaller than average absolute and effective SEI changes resulting from corrected SERs (261.1 and 169.4, respectively).

It should be recalled that higher income applicants had higher error rates for adjusted gross income, portions earned, and taxes paid SER elements; and lower income applicants had higher error rates for reported non-taxable income. Table 3.6 displays the differences in SEI changes among income groups for these same entries. It is apparent that, in spite of a higher frequency of errors, higher income applicants do not have larger SEI changes (either absolute or effective) associated with the changes made to adjusted gross income, portions earned, or taxes paid. No association between income and magnitude of SEI change is apparent for adjusted gross

TABLE 3.6

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SET CHANGES BY YEAR IN SCHOOL FOR EACH ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED CRITERIA)

--- ACTUAL DISCREPANCY ---	- TOTAL - ABSO-LUTE	- TOTAL - EFFEC-TIVE	FIRST YEAR ABSO-LUTE	FIRST YEAR EFFEC-TIVE	SECOND YEAR ABSO-LUTE	SECOND YEAR EFFEC-TIVE	THIRD YEAR ABSO-LUTE	THIRD YEAR EFFEC-TIVE	FOURTH YEAR ABSO-LUTE	FOURTH YEAR EFFEC-TIVE	OTHER-UNKNOWN ABSO-LUTE	OTHER-UNKNOWN EFFEC-TIVE	
TOTAL.....	3,543	3,543	1,089	1,089	870	870	651	651	355	355	578	578	SC
	100.0	100.0	30.7	30.7	24.6	24.6	18.4	18.4	10.0	10.0	16.3	16.3	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	453.1	269.3	498.8	288.5	436.6	274.6	445.8	270.8	436.9	251.1	409.9	272.2	MN
ADJUSTED GROSS INCOME - 12,13.....	2,099	2,099	649	649	515	515	370	370	222	222	343	343	SC
	100.0	100.0	30.9	30.9	24.5	24.5	17.6	17.6	10.6	10.6	16.3	16.3	HC
	59.2	59.2	59.6	59.6	59.2	59.2	56.8	56.8	62.5	62.5	59.3	59.3	CC
	619.0	347.8	693.4	350.4	577.7	344.1	623.9	360.8	587.8	316.9	555.4	349.5	MN
TAXES PAID - 16,17,18.....	2,855	2,855	880	880	710	710	515	515	287	287	463	463	SC
	100.0	100.0	30.8	30.8	24.9	24.9	18.0	18.0	10.1	10.1	16.2	16.2	HC
	80.6	80.6	80.8	80.8	81.6	81.6	79.1	79.1	80.8	80.8	80.1	80.1	CC
	478.4	282.2	553.1	295.7	442.7	281.4	468.0	288.2	455.8	248.3	416.6	272.2	MN
DEPENDENCY STATUS - 02.....	9	9	2	2	3	3			2	2	2	2	SC
	100.0	100.0	22.2	22.2	33.3	33.3			22.2	22.2	22.2	22.2	HC
	0.3	0.3	0.2	0.2	0.3	0.3			0.6	0.6	0.3	0.3	CC
	59.1	59.1	-416.0	-416.0	154.3	154.3					450.5	450.5	MN
ASSETS - 21.....	58	58	22	22	11	11	6	6	8	8	11	11	SC
	100.0	100.0	37.9	37.9	19.0	19.0	10.3	10.3	13.8	13.8	19.0	19.0	HC
	1.6	1.6	2.0	2.0	1.3	1.3	0.9	0.9	2.3	2.3	1.9	1.9	CC
	513.1	251.2	441.6	244.4	1110.2	533.4	76.0	-41.2	402.8	273.4	377.8	125.8	MN
CITIZENSHIP - 01.....													
NON-TAXABLE INCOME - 08,09,10,11.....	794	794	237	237	202	202	146	146	82	82	127	127	SC
	100.0	100.0	29.8	29.8	25.4	25.4	18.4	18.4	10.3	10.3	16.0	16.0	HC
	22.4	22.4	21.8	21.8	23.2	23.2	22.4	22.4	23.1	23.1	22.0	22.0	CC
	434.2	266.1	393.9	236.9	426.9	269.1	474.6	295.9	548.4	305.5	400.8	256.4	MN
PORTIONS EARNED - 14,15.....	2,414	2,414	723	723	597	597	434	434	254	254	406	406	SC
	100.0	100.0	30.0	30.0	24.7	24.7	18.0	18.0	10.5	10.5	16.8	16.8	HC
	68.1	68.1	66.4	66.4	68.6	68.6	66.7	66.7	71.5	71.5	70.2	70.2	CC
	637.3	363.5	704.0	361.3	588.2	372.0	628.3	364.7	591.8	306.7	628.6	388.8	MN
POST HIGH ENROLLMENT - 05,06,07.....	884	884	286	286	227	227	156	156	81	81	134	134	SC
	100.0	100.0	32.4	32.4	25.7	25.7	17.6	17.6	9.2	9.2	15.2	15.2	HC
	25.0	25.0	26.3	26.3	26.1	26.1	24.0	24.0	22.8	22.8	23.2	23.2	CC
	665.5	326.0	787.5	297.1	612.5	325.2	644.0	374.7	613.1	296.8	551.9	349.1	MN
HOUSEHOLD SIZE - 04.....	858	858	279	279	204	204	139	139	89	89	147	147	SC
	100.0	100.0	32.5	32.5	23.8	23.8	16.2	16.2	10.4	10.4	17.1	17.1	HC
	24.2	24.2	25.6	25.6	23.4	23.4	21.4	21.4	25.1	25.1	25.4	25.4	CC
	560.1	353.1	699.7	330.9	619.7	375.2	650.8	385.5	596.3	345.9	484.2	338.3	MN

BEST COPY AVAILABLE

TABLE 3.6

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY YEAR IN SCHOOL FOR EACH ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED CRITERIA)

--- ACTUAL DISCREPANCY ---	- TOTAL - ABSOLUTE	- TOTAL - EFFECTIVE	*** YEAR IN SCHOOL *** FIRST YEAR ABSOLUTE	FIRST YEAR EFFECTIVE	SECOND YEAR ABSOLUTE	SECOND YEAR EFFECTIVE	THIRD YEAR ABSOLUTE	THIRD YEAR EFFECTIVE	FOURTH YEAR ABSOLUTE	FOURTH YEAR EFFECTIVE	OTHER-UNKNOWN ABSOLUTE	OTHER-UNKNOWN EFFECTIVE	
VETERAN'S BENEFITS - 23.....	3	3	1	1			1	1			1	1	SC
	100.0	100.0	33.3	33.3			33.3	33.3			33.3	33.3	MC
	0.1	0.1	0.1	0.1			0.2	0.2			0.2	0.2	CC
	5.7	5.7	591.0	591.0							-574.0	-574.0	MN
UNUSUAL EXPENSES - 19,20.....	77	77	25	25	14	14	15	15	8	8	15	15	SC
	100.0	100.0	32.5	32.5	18.2	18.2	19.5	19.5	10.4	10.4	19.5	19.5	MC
	2.2	2.2	2.3	2.3	1.6	1.6	2.3	2.3	2.3	2.3	2.6	2.6	CC
	649.0	384.2	616.5	396.7	1029.5	688.2	541.3	232.5	451.9	285.1	560.9	283.9	MN
APPLICANT SAVINGS - 22.....	6	6	1	1	1	1	2	2			2	2	SC
	100.0	100.0	16.7	16.7	16.7	16.7	33.3	33.3			33.3	33.3	MC
	0.2	0.2	0.1	0.1	0.1	0.1	0.3	0.3			0.3	0.3	CC
	346.5	195.5	227.0	27.0			178.0	178.0			748.0	395.0	MN
PRIOR ENROLLMENT - 24.....													
OTHER - 25,03,28,30.....	173	173	54	54	43	43	25	25	21	21	30	30	SC
	100.0	100.0	31.2	31.2	24.9	24.9	14.5	14.5	12.1	12.1	17.3	17.3	MC
	4.9	4.9	5.0	5.0	4.9	4.9	3.8	3.8	5.9	5.9	5.2	5.2	CC
	593.8	388.9	366.1	235.1	724.6	492.1	440.6	295.8	1021.9	456.2	643.9	375.0	MN
NONE - 27.....	31	31	11	11	5	5	8	8	2	2	5	5	SC
	100.0	100.0	35.5	35.5	16.1	16.1	25.8	25.8	6.5	6.5	16.1	16.1	MC
	0.9	0.9	1.0	1.0	0.6	0.6	1.2	1.2	0.6	0.6	0.9	0.9	CC
	323.4	221.3	188.0	165.0	37.0	37.0	783.6	419.8	55.0	55.0	278.4	278.4	MN
UNKNOWN - 26.....													
MULTIPLE -													

NOTE: TOTAL RUN(S) REPRESENT CASES (STUDENTS)!
CELL ENTRIES ARE DUPLICATED COUNTS.

3.29

BEST COPY AVAILABLE

income or portions earned while, for taxes paid, the lowest income group had the largest SEI changes (780.6 and 456.7, respectively) compared to the overall averages (478.4 and 282.2, respectively). In a similar vein, while low income applicants had the highest error rates for non-taxable income, the higher income groups had larger SEI changes associated with corrections to that field: while the average absolute change ranged from 285.3 and 375.3 for applicants who reported incomes of $7500 or less, the higher income applicants had average absolute SEI changes of between 458.1 and 644.5. It is apparent, then, that a high frequency of error in a given SER field (i.e., a high error rate) for a subgroup of applicants does not necessarily indicate that the same subgroup's SERs contain the most extensive errors in that same field. That is, frequency and impact of error are two distinct and sometimes unrelated indicators of error-proneness.

3.4.4: Changes in Critical SER Data Items

Table 3.7 examines the number and average magnitude of corrections to critical SER fields. It should be noted that this table is based on a total of 3721 cases, although 3783 cases were closed due to valid SER corrections. The cases not included in this table had SER corrections to fields considered non-critical and/or the SER corrections which were made resulted in an SEI change of zero.

As a result of corrected SERs, applicants' adjusted gross income and non-taxable income figures increased considerably (an average of $2349.80 and $1254.80, respectively), while taxes paid entries decreased (-$488.80). Fairly large average decreases were also evidenced in the postsecondary and household offset fields, although the decreases were not as large as the ones associated with changes in these fields during the 1976-77 study. The postsecondary enrollment figure decreased by an average of 1.4 persons this year, compared to a 1976-77 average decrease of 2.3 persons. Confirmed household size figures were an average of 1.6 persons less than the reported figure this year, as compared to an average decrease of 2.5 persons the previous year. It seems that student confusion over

TABLE 3.7

AVERAGE REPORTED DATA ELEMENT CHANGE BY DEPENDENCY STATUS (PRE-ESTABLISHED AND ACT CRITERIA)
SEA CORRECTIONS NOT YET PROCESSED

--- DATA ELEMENT ---	TOTAL PEC	TOTAL ACT	DEPENDENT PEC	DEPENDENT ACT	INDEPENDENT PEC	INDEPENDENT ACT	SEA CORRECTIONS NOT YET PROCESSED PEC	SEA CORRECTIONS NOT YET PROCESSED ACT	
TOTAL.....	3,721	227	3,033	111	474	82	212	54	SC
									MN
MODEL - (DEPENDENCY STATUS)...	28	7	8		17	5	3	2	SC
	-0.3	-0.7	1.0		-1.0	-1.0	0.3		MN
HOUSEHOLD NUMBER.....	913	74	743	21	98	34	72	19	SC
	-1.6	-2.5	-1.4	-1.4	-2.8	-3.6	-2.0	-1.5	MN
POST-HIGH ENROLLMENT NUMBER...	881	24	738	15	88		55	9	SC
	-1.4	-1.0	-1.3	-1.2	-1.7		-1.7	-0.7	MN
NON-TAXABLE INCOME AMOUNT.....	857	113	659	57	131	23	67	33	SC
	1254.8	1968.6	1367.3	2309.1	585.9	2096.7	1457.7	1291.2	MN
ADJUSTED GROSS INCOME AMOUNT..	2,218	79	1,840	42	231	14	147	23	SC
	2349.8	3362.2	2516.8	3618.0	1576.5	4172.1	1475.2	2402.2	MN
TAXES PAID AMOUNT.....	3,010	57	2,492	35	358	11	162	11	SC
	-488.8	-28.4	-502.7	-206.5	-322.4	249.9	-640.6	259.9	MN
STUDENT ELIGIBILITY INDEX.....	2,892	61	2,553	43	339	18			SC
	555.1	669.5	537.4	371.4	688.1	1381.4			MN

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

3.31

BEST COPY AVAILABLE

offset figures has been significantly reduced, perhaps due to modifications to the application in the intervening period, or to greater attempts by financial aid officers to explain the meaning of these fields to students.

Table 3.7 also indicates some minor differences in average changes to SER fields for independent and dependent students. Independent students' household size and postsecondary figures, decreased, on the average, by an additional 1.4 and 0.4 persons, respectively, more than the decreases evidenced for dependent students. Dependent students, on the other hand, made larger changes to non-taxable income, adjusted gross income, and taxes paid fields--an average of $782, $940, and -$180 more than independent students did.

The relationship of income to average change in each SER entry is explored in Table 3.8. Several associations are apparent. Of those students who made changes to their dependency field, lower income ($10,000 or less) students tended to change from independent to dependent, while higher income students tended to change from dependent to independent. Students who reported incomes of $1500 or less made the largest changes to post-high enrollment figures (-2.2 compared to an overall average of -1.4) and also made the largest increase in their adjusted gross income fields ($4389.00 compared to an overall average change of $2349.80). Finally, as income level increases up to $15,000, students also made larger increases in non-taxable income figures.

3.4.5: Selection Criteria

As described in Section 3.2, all students who were selected for inclusion in the Pre-established Criteria study met one of the following criteria:

- Reported adjusted gross income was inconsistent with taxes paid (Criterion 1)
- Applicant submitted a correction with resulted in an SEI change of more than 500 points (Criterion 2)

TABLE 3.8

AVERAGE REPORTED DATA ELEMENT CHANGE BY INCOME LEVEL (PRE-ESTABLISHED CRITERIA)
*** INCOME LEVELS ***

--- DATA ELEMENT ---	TOTAL	LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	SER CONNEC- TIONS YET PROCESSED	
TOTAL.....	3,721	211	332	400	741	683	668	494	212	SC
	100.0	5.7	8.9	10.7	19.4	18.4	18.0	13.3	5.7	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
										MN
MODEL - (DEPENDENCY STATUS)...	28	4	6	7	5	1	1	1	3	SC
	100.0	14.3	21.4	25.0	17.9	3.6	3.6	3.6	10.7	HC
	0.8	1.9	1.8	1.8	0.7	0.1	0.1	0.2	1.4	CC
	-0.3	-0.6	-0.7	-0.4	-0.6	1.0	1.0	1.0	0.3	MN
HOUSEHOLD NUMBER.....	913	48	85	113	175	155	144	121	72	SC
	100.0	5.3	9.3	12.4	19.2	17.0	15.8	13.3	7.9	HC
	24.5	22.7	25.6	28.3	24.3	22.7	21.6	24.5	34.0	CC
	-1.6	-2.3	-2.4	-1.2	-1.4	-1.2	-1.4	-1.8	-2.0	MN
POST-HIGH ENROLLMENT NUMBER...	881	37	69	100	176	138	156	150	55	SC
	100.0	4.2	7.8	11.4	20.0	15.7	17.7	17.0	6.2	HC
	23.7	17.5	20.8	25.0	23.8	20.2	23.4	30.4	25.9	CC
	-1.4	-2.2	-1.2	-1.8	-1.4	-1.1	-1.4	-1.2	-1.7	MN
NON-TAXABLE INCOME AMOUNT.....	857	131	133	131	150	120	83	36	67	SC
	100.0	15.3	15.5	15.3	18.2	14.0	9.7	4.2	7.8	HC
	23.0	62.1	40.1	32.8	21.0	17.6	12.4	7.3	31.6	CC
	1254.8	883.7	718.8	1376.4	1483.3	1534.9	1701.9	1100.3	1457.7	MN
ADJUSTED GROSS INCOME AMOUNT..	2,218	113	165	224	447	426	406	290	147	SC
	100.0	5.1	7.4	10.1	20.2	19.2	18.3	13.1	6.6	HC
	59.6	53.6	49.7	56.0	62.8	62.4	60.8	58.7	69.3	CC
	2349.8	4389.0	2699.9	1733.6	2490.3	2329.7	2567.5	1783.6	1475.2	MN
TAXES PAID AMOUNT.....	3,010	100	261	257	689	601	589	431	162	SC
	100.0	3.3	8.7	8.5	20.2	20.0	19.6	14.3	5.4	HC
	80.9	47.4	78.6	64.3	84.5	88.0	88.2	87.2	76.4	CC
	-488.8	-171.1	-256.6	-181.6	-465.4	-628.7	-306.7	-992.3	-640.6	MN
STUDENT ELIGIBILITY INDEX.....	2,892	120	185	232	589	625	651	490		SC
	100.0	4.1	6.4	8.0	20.4	21.6	22.5	16.9		HC
	77.7	56.9	55.7	58.0	81.7	91.5	97.5	99.2		CC
	555.1	886.0	762.9	458.0	678.6	443.3	475.0	542.7		MN

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS).
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

- The application processor "assumed" the applicant's adjusted gross income value for purposes of computing his/her SEI and the student did not correct the assumed value (Criterion 3)
- Reported household size exceeded reported number of exemptions (Criterion 4)
- A large number of persons were reported to be in attendance at postsecondary institutions (Criterion 5)

Applicants could meet more than one of these criteria and total points were assigned to applicants based on the individual criterion and combinations of criteria met as well as the magnitude of expected errors. Applicants who had a higher total of selection criteria points were assigned a higher probability of selection for this study. Therefore, this section will examine variation in the study findings by both specific criteria according to which applicants were selected and the selection criteria points which applicants were assigned.

Table 3.9 examines the range of selection criteria points by year in school. The proportion of first, second, third, and fourth year students within each point range category is remarkably consistent. The only pattern apparent in this table is that proportionately fewer fifth year students had a total of 22 or more points than did other students, but the differences are not very large and less than one percent of the students were in their fifth year so it should not be considered to be a reliable trend.

Some interesting patterns are evidenced between income level[1/] and selection criteria point ranges (see Table 3.10). Applicants in the higher income groups ($7501 and more) are more likely than lower income applicants to be included in the 22-30 point range. Proportionately more applicants who reported incomes between $1501 and $7500 were included in the 18 points and less range. There is a slight trend, therefore, for higher income applicants to be assigned a higher total number of selection criteria points.

[1/] Including adjusted gross income and non-taxable income.

TABLE 3.9

SELECTION CRITERIA POINTS BY YEAR IN SCHOOL (PRE-ESTABLISHED AND ACT CRITERIA)

*** YEAR IN SCHOOL ***

SELECTION CRITERIA POINT RANGE	TOTAL	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	UNKNOWN	
TOTAL	9,126	3,029	2,138	1,418	827	84	1,630	SC
	100.0	33.2	23.4	15.5	9.1	0.9	17.9	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	33.2	23.4	15.5	9.1	0.9	17.9	RC
MORE THAN 30	101	24	27	17	8	1	24	SC
	100.0	23.8	26.7	16.8	7.9	1.0	23.8	RC
	1.1	0.8	1.3	1.2	1.0	1.2	1.5	CC
	1.1	0.3	0.3	0.2	0.1		0.3	RC
28 - 30	418	144	101	62	28	2	79	SC
	100.0	34.4	24.2	14.8	6.7	0.5	18.9	RC
	4.6	4.8	4.7	4.4	3.4	2.4	4.8	CC
	4.6	1.6	1.1	0.7	0.3		0.9	RC
25 - 27	730	243	167	105	59	4	152	SC
	100.0	33.3	22.9	14.4	8.1	0.5	20.8	RC
	8.0	8.0	7.8	7.4	7.1	4.8	9.3	CC
	8.0	2.7	1.8	1.2	0.6		1.7	RC
22 - 24	3,398	1,140	791	525	296	22	620	SC
	100.0	33.6	23.3	15.5	8.6	0.6	18.3	RC
	37.1	37.6	37.0	37.0	35.8	26.2	38.0	CC
	37.1	12.5	8.7	5.8	3.2	0.2	6.8	RC
19 - 21	965	318	203	150	100	17	169	SC
	100.0	33.0	21.0	15.6	10.4	1.8	17.5	RC
	10.6	10.5	9.5	11.1	12.1	20.2	10.4	CC
	10.6	3.5	2.2	1.7	1.1	0.2	1.9	RC
16 - 18	1,261	489	347	261	164	25	275	SC
	100.0	31.3	22.2	16.7	10.3	1.6	17.6	RC
	17.1	16.1	16.2	18.4	19.8	29.8	16.9	CC
	17.1	5.4	3.8	2.9	1.8	0.3	3.0	RC
LESS THAN 16	841	299	206	141	79	8	109	SC
	100.0	35.4	24.5	16.8	9.4	1.0	13.0	RC
	9.2	9.8	9.6	9.9	9.6	9.5	6.7	CC
	9.2	3.3	2.3	1.5	0.9	0.1	1.2	RC
ACT CRITERIA	1,120	371	246	149	97	5	202	SC
	100.0	33.1	22.4	13.3	8.7	0.4	18.0	RC
	12.3	12.2	11.8	10.5	11.7	6.0	12.4	CC
	12.3	4.1	3.2	1.6	1.1	0.1	2.2	RC

3.55

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 3.10

SELECTION CRITERIA POINTS BY INITIAL INCOME - AGI AND NII (PRE-ESTABLISHED AND ACT CRITERIA)

*** INCOME LEVELS ***

SELECTION CRITERIA POINT RANGE	TOTAL	LESS THAN 1,501	1,501- 4,000	4,001- 7,500	7,501- 10,000	10,001- 12,000	12,001- 15,000	GREATER THAN 15,000	
TOTAL	9,126	1,271	924	1,181	1,637	1,527	1,509	1,077	SC
	100.0	13.9	10.1	12.9	17.9	16.7	16.5	11.8	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	13.9	10.1	12.9	17.9	16.7	16.5	11.8	HC
MORE THAN 30	101	1	4	6	15	27	27	21	SC
	100.0	1.0	4.0	5.9	14.9	26.7	26.7	20.8	HC
	1.1	0.1	0.4	0.5	0.9	1.8	1.8	1.9	CC
	1.1			0.1	0.2	0.3	0.3	0.2	HC
28 - 30	418	14	21	15	85	82	110	91	SC
	100.0	3.3	5.0	3.6	20.3	19.6	26.3	21.8	HC
	4.6	1.1	2.3	1.3	5.2	5.4	7.3	8.4	CC
	4.6	0.2	0.2	0.2	0.9	0.9	1.2	1.8	HC
25 - 27	730	25	53	59	136	186	159	112	SC
	100.0	3.4	7.3	8.1	18.6	25.5	21.8	15.3	HC
	8.0	2.0	5.7	5.0	8.3	12.2	10.5	10.4	CC
	8.0	0.3	0.6	0.6	1.5	2.0	1.7	1.2	HC
22 - 24	3,390	158	295	363	585	701	728	560	SC
	100.0	4.7	8.7	10.7	17.3	20.7	21.5	16.5	HC
	37.1	12.4	31.9	30.7	35.7	45.9	48.2	52.0	CC
	37.1	1.7	3.2	4.0	6.4	7.7	8.0	6.1	HC
19 - 21	965	48	125	158	231	185	135	83	SC
	100.0	5.0	13.0	16.4	23.9	19.2	14.0	8.6	HC
	10.6	3.8	13.5	13.4	14.1	12.1	8.9	7.7	CC
	10.6	0.5	1.4	1.7	2.5	2.0	1.5	0.9	HC
16 - 18	1,561	93	211	288	387	220	224	138	SC
	100.0	6.0	13.5	18.4	24.8	14.1	14.3	8.8	HC
	17.1	7.3	22.8	24.4	23.6	14.4	14.8	12.8	CC
	17.1	1.0	2.3	3.2	4.2	2.4	2.5	1.5	HC
LESS THAN 16	841	78	128	206	136	104	108	69	SC
	100.0	9.3	15.2	24.5	16.2	12.4	12.8	8.2	HC
	9.2	5.5	13.9	17.4	8.3	6.8	7.2	6.4	CC
	9.2	0.8	1.4	2.3	1.7	1.1	1.2	0.8	HC
ACT CRITERIA	1,120	862	87	86	42	22	18	3	SC
	100.0	77.0	7.8	7.7	3.8	2.0	1.6	0.3	HC
	12.3	67.8	9.4	7.3	2.8	1.4	1.2	0.3	CC
	12.3	9.4	1.0	0.9	0.5	0.2	0.2		HC

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

Table 3.11 examines the mode of case resolution by selection criteria point ranges. Proportionately fewer students with a high number of selection points submitted valid SER corrections, and this is a fairly linear trend. That is, it is apparent that the higher a student's selection points, the less likely he/she is to submit a valid SER correction (conversely, the more likely he/she is to confirm the SER or be a non-respondent). No other consistent patterns by point ranges are evidenced for other closure modes.

Variation in the modes of resolution by the criteria according to which students were selected is explored in Table 3.12. Applicants who were selected according to Criterion 2 (large SEI corrections) were more likely to submit acceptable documentation (25% compared to an overall average of 4.8%). Students who were selected according to Criterion 2 were also <u>less</u> likely to be total non-respondents or non-respond to an additional request (4.7% and 7.8%, respectively). In addition, students selected because they met Criterion 5 (large number of post-high family members) were less likely to be total non-respondents (9.1% vs. an overall figure of 19.2%).

As Table 3.13 indicates, there were also marked differences in magnitude of SEI change and change to other SER entries according to the combination of selection criteria which applicants met, but there is no discernible pattern to the differences among criteria groups for any of the data elements.

3.5: PRE-ESTABLISHED CRITERIA STUDY RESULTS: INSTITUTION STATISTICS

Data presented in this section examine the relationship of characteristics of schools in which applicants were enrolled with the results of the validation process: case resolution mode, actual SER discrepancies, and SEI change. Section 3.5.1 examines the relationship of institution size to study results, while Section 3.5.2 assesses the relationship of institution control to study results.

TABLE 3.11

MODE OF CASE RESOLUTION BY SELECTION CRITERIA POINT RANGES (PRE-ESTABLISHED AND ACT CRITERIA)

SELECTION CRITERIA POINT RANGE	TOTAL	MODE OF RESOLUTION: VALID SER CORRECTION	ACCEPTABLE DOCUMENTATION	OE RESOLUTION	UNABLE TO CONTACT-STUDENT/PAR	TOTAL NON RESPONSE	ADU REQUEST NON RESPONSE	ADU REQUEST UNACCEPTABLE	NON-USE OF GRANT	SER CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
TOTAL	9,126	3,758	804	92	197	1,807	1,838	427	203	318	378	SC
	100.0	41.2	8.8	0.6	1.7	19.8	16.9	4.7	2.2	3.4	4.1	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	41.2	8.8	0.6	1.7	19.8	16.9	4.7	2.2	3.4	4.1	MC
MORE THAN 30	181	48	2	1	1	23	17	6	1	4	1	SC
	100.0	44.6	2.0	1.0	1.0	22.8	16.8	5.9	1.0	4.0	1.0	HC
	1.1	1.2	0.4	1.9	0.6	1.3	1.1	1.4	0.5	1.3	0.3	CC
	1.1	0.5				0.3	0.2	0.1				MC
28 - 30	418	178	10	3	4	72	87	19	3	20	22	SC
	100.0	42.6	2.4	0.7	1.0	17.2	20.8	4.5	0.7	4.8	5.3	HC
	4.6	4.7	2.0	5.8	2.0	4.0	5.7	4.4	1.5	6.5	5.9	CC
	4.6	2.0	0.1			0.8	1.0	0.2		0.2	0.2	MC
25 - 27	738	314	28	3	10	151	133	23	12	26	30	SC
	100.0	43.8	3.8	0.4	1.4	20.7	18.2	3.2	1.6	3.6	4.1	HC
	8.8	8.4	5.6	5.8	6.4	8.4	8.6	5.4	5.9	8.4	8.1	CC
	8.8	3.4	0.3		0.1	1.7	1.5	0.3	0.1	0.3	0.3	MC
22 - 24	3,390	1,498	146	25	91	643	600	147	79	98	103	SC
	100.0	44.2	4.3	0.7	1.3	19.0	17.7	4.3	2.3	2.9	3.0	HC
	37.1	39.9	29.0	48.1	32.3	35.6	39.0	34.4	38.9	31.6	27.8	CC
	37.1	16.4	1.6	0.3	0.6	7.0	6.6	1.6	0.9	1.1	1.1	MC
19 - 21	965	415	42	4	14	182	173	48	23	30	36	SC
	100.0	43.0	4.4	0.4	1.4	18.9	17.9	5.0	2.4	3.1	3.7	HC
	10.6	11.0	8.3	7.7	7.0	10.1	11.2	11.2	11.3	9.7	9.7	CC
	10.6	4.5	0.5		0.1	2.0	1.9	0.5	0.3	0.3	0.4	MC
16 - 18	1,501	668	83	11	28	324	240	69	41	44	53	SC
	100.0	42.8	5.3	0.7	1.8	20.8	15.4	4.4	2.6	2.8	3.4	HC
	17.1	17.8	16.5	21.2	17.8	17.9	15.6	16.2	20.2	14.2	14.3	CC
	17.1	7.3	0.9	0.1	0.3	3.6	2.6	0.8	0.4	0.5	0.6	MC
LESS THAN 16	841	425	70	1	11	142	109	21	26	18	18	SC
	100.0	50.5	8.3	0.1	1.3	16.9	13.0	2.5	3.1	2.1	2.1	HC
	9.2	11.3	13.9	1.9	7.9	7.9	7.1	4.9	12.8	5.8	4.9	CC
	9.2	4.7	0.8		0.1	1.6	1.2	0.2	0.3	0.2	0.2	MC
ACT CRITERIA	1,120	215	123	4	40	270	179	94	18	70	107	SC
	100.0	19.2	11.0	0.4	3.6	24.1	16.0	8.4	1.6	6.3	9.6	HC
	12.3	5.7	20.4	7.7	28.3	14.9	11.6	22.0	8.9	22.6	28.9	CC
	12.3	2.4	1.4		0.4	3.0	2.0	1.0	0.2	0.8	1.2	MC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 3.12

SELECTION TABLE CRITERIA BY MODE OF RESOLUTION (PRE-ESTABLISHED CRITERIA)
MODE OF RESOLUTION:

-- SELECTION TABLE CRITERIA --	TOTAL	VALID SER CORRECTION	ACCEPTABLE DOCUMENTATION	DE RESOLUTION	UNABLE TO CONTACT-STUDENT/PAR	TOTAL NON RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SER CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
TOTAL	8,006	3,543	381	48	117	1,537	1,359	333	185	240	263	SC
	100.0	44.3	4.8	0.6	1.5	19.2	17.0	4.2	2.3	3.0	3.3	NC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	44.3	4.8	0.6	1.5	19.2	17.0	4.2	2.3	3.0	3.3	MC
1	289	184	11		3	36	38	6	10	5	6	SC
	100.0	63.3	3.8		1.0	12.4	13.1	2.1	3.5	1.7	2.1	NC
	3.6	5.2	2.9		2.6	2.3	2.8	1.8	5.4	2.1	2.3	CC
	3.6	1.9	0.1			0.7	0.5	0.1	0.1	0.1	0.1	MC
2	84	34	16			3	5	2	1	1	2	SC
	100.0	53.1	25.0			4.7	7.8	3.1	1.6	1.6	3.1	NC
	0.8	1.0	4.2			0.2	0.4	0.6	0.5	0.4	0.8	CC
	0.8	0.4	0.2				0.1					MC
3	79	28	5		3	18	11	4	4	2	2	SC
	100.0	35.4	6.3		3.8	22.8	13.9	7.6	5.1	2.5	2.5	NC
	1.0	0.8	1.3		2.6	1.2	0.8	1.8	2.2	0.8	0.8	CC
	1.0	0.3	0.1			0.2	0.1	0.1				MC
4	89	48	9		2	15	14	1	3	3	2	SC
	100.0	44.9	10.1		2.2	16.9	15.7	1.1	3.4	3.4	2.2	NC
	1.1	1.1	2.4		1.7	1.0	1.0	0.3	1.6	1.3	0.8	CC
	1.1	0.5	0.1			0.2	0.2					MC
5	22	9	4			2	3	1	1	2		SC
	100.0	40.9	18.2			9.1	13.6	4.5	4.5	9.1		NC
	0.3	0.3	1.0			0.1	0.2	0.3	0.5	0.8		CC
	0.3	0.1										MC
1 2	1,032	560	36	4	27	156	117	32	32	36	30	SC
	100.0	54.3	3.5	0.4	2.6	15.1	11.3	3.1	3.1	3.5	2.9	NC
	12.9	15.8	9.4	8.3	23.1	10.1	8.6	9.6	17.3	15.0	11.4	CC
	12.9	7.0	0.4		0.4	1.9	1.5	0.4	0.4	0.4	0.4	MC
1 3	953	442	14	9	10	198	180	32	21	21	40	SC
	100.0	46.4	1.5	0.9	1.7	20.8	18.9	3.4	2.2	2.2	4.2	NC
	11.9	12.5	3.7	18.8	14.7	12.9	13.2	9.6	11.4	8.8	7.6	CC
	11.9	5.5	0.4	0.1	0.2	2.5	2.2	0.4	0.3	0.3	0.2	MC
1 4	843	322	19	3	9	236	144	44	17	15	33	SC
	100.0	38.2	2.3	0.4	0.7	28.0	17.3	5.5	2.0	1.8	3.9	NC
	10.5	9.1	5.0	6.3	8.1	15.4	10.7	13.8	9.2	6.3	12.5	CC
	10.5	4.0	0.2		0.1	2.9	1.0	0.6	0.2	0.2	0.4	MC
1 5	139	93	4			48	23	3	4	2	2	SC
	100.0	50.5	2.5			17.4	14.5	1.9	2.5	1.3	1.3	NC
	2.0	2.6	1.0			1.8	1.7	0.9	2.2	0.8	0.8	CC
	2.0	1.2				0.3	0.3					MC

BEST COPY AVAILABLE

TABLE 3.12

SELECTION TABLE CRITERIA BY MODE OF RESOLUTION (PRE-ESTABLISHED CRITERIA)
MODE OF RESOLUTION:

-- SELECTION TABLE CRITERIA --	TOTAL	VALID BEN CORRECTION	ACCEPTABLE DOCUMENTATION	DE RESOLUTION	UNABLE TO CONTACT-STUDENT/PAR	TOTAL NON RESPONSE	ADU REQUEST NON RESPONSE	ADU REQUEST UNACCEPT RESP	NON-USE OF GRANT	SEN CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
2 3	138	45	30		1	23	17	8	5	3	6	SC
	100.0	32.6	21.7		0.7	16.7	12.3	5.8	3.6	2.2	4.3	MC
	1.7	1.3	7.9		0.9	1.5	1.3	2.4	2.7	1.3	2.3	CC
	1.7	0.6	0.4			0.3	0.2	0.1	0.1		0.1	MC
2 4	177	73	21	1	4	38	25	8	3	5	9	SC
	100.0	41.2	11.9	0.6	1.1	16.9	14.1	4.5	1.7	2.8	5.1	MC
	2.2	2.1	5.5	2.1	1.7	2.0	1.8	2.4	1.6	2.1	3.4	CC
	2.2	0.9	0.3			0.4	0.3	0.1		0.1	0.1	MC
2 5	99	34	30	1	1	10	10	2		3	2	SC
	100.0	34.3	30.4	1.0	1.0	10.1	10.1	2.0		3.0	2.0	MC
	1.2	1.0	9.4	2.1	0.9	0.7	0.7	0.6		1.3	0.8	CC
	1.2	0.4	0.4			0.1	0.1					MC
3 4	101	28	3	1	1	24	25	7	3	4	5	SC
	100.0	27.7	3.0	1.0	1.0	23.8	24.8	6.9	3.0	4.0	5.0	MC
	1.3	0.8	0.8	2.1	0.9	1.6	1.8	2.1	1.6	1.7	1.9	CC
	1.3	0.3				0.3	0.3	0.1			0.1	MC
3 5	20	7	1		1	6	4	1				SC
	100.0	35.0	5.0		5.0	30.0	20.0	5.0				MC
	0.2	0.2	0.3		0.9	0.4	0.3	0.3				CC
	0.2	0.1				0.1						MC
4 5	49	12	7		1	10	12	3		2	2	SC
	100.0	24.5	14.3		2.0	20.4	24.5	6.1		4.1	4.1	MC
	0.6	0.3	1.8		0.9	0.7	0.9	0.9		0.8	0.8	CC
	0.6	0.1	0.1			0.1	0.1					MC
1 2 3	441	197	26	3	7	44	92	8	8	17	19	SC
	100.0	44.7	5.9	0.7	1.6	14.5	20.9	1.8	1.8	3.9	4.3	MC
	5.5	5.6	6.8	6.3	6.0	4.2	6.8	2.4	4.3	7.1	7.2	CC
	5.5	2.5	0.3		0.1	0.8	1.1	0.1	0.1	0.2	0.2	MC
1 2 4	624	301	34	6	8	97	101	23	9	21	24	SC
	100.0	48.2	5.4	1.0	1.3	15.5	16.2	3.7	1.4	3.4	3.8	MC
	7.8	8.5	8.9	12.5	6.8	6.3	7.4	6.9	4.9	6.8	9.1	CC
	7.8	3.8	0.4	0.1	0.1	1.2	1.3	0.3	0.1	0.3	0.3	MC
1 2 5	406	248	18	4	4	49	45	14	4	12	10	SC
	100.0	61.1	4.4	1.0	0.9	12.1	11.1	3.4	1.0	3.0	2.5	MC
	5.1	7.0	4.7	8.3	1.7	3.2	3.3	4.2	2.2	5.0	3.8	CC
	5.1	3.1	0.2			0.6	0.6	0.2		0.1	0.1	MC
1 3 4	1,000	327	43	8	16	222	246	53	26	40	39	SC
	100.0	32.7	2.3	0.8	1.6	22.2	24.6	5.3	2.6	4.0	3.9	MC
	12.5	9.2	6.0	16.7	13.7	14.4	18.1	15.9	14.1	16.7	14.8	CC
	12.5	4.1	0.3	0.1	0.6	2.8	3.1	0.7	0.3	0.5	0.5	MC

07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 3.12

SELECTION TABLE CRITERIA BY MODE OF RESOLUTION (PRE-ESTABLISHED CRITERIA)
MODE OF RESOLUTION

-- SELECTION TABLE CRITERIA --	TOTAL	VALID SEX CORRECTION	ACCEPTABLE DOCUMENTATION	DE RESOLUTION	UNABLE TO CONTACT-SUBSTANCE ABUSE PROG	TOTAL NON RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SEX CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED
1 3 5	320	133	5	3	1	72	59	14	15	7	11
	100.0	41.6	1.6	0.9	0.3	22.5	18.4	4.4	4.7	2.2	3.4
	4.0	3.8	1.3	4.3	0.9	4.7	4.3	4.2	0.1	2.9	4.2
	4.0	1.7	0.1			0.9	0.7	0.2	0.2	0.1	0.1
1 4 5	486	148	8	1	7	92	61	31	18	13	15
	100.0	41.4	2.0	0.2	1.7	22.7	15.0	7.6	2.5	3.2	3.7
	5.1	4.7	2.1	2.1	6.0	6.0	4.5	9.3	5.4	5.4	5.7
	5.1	2.1	0.1		0.1	1.1	0.8	0.4	0.1	0.2	0.2
2 3 4	74	22	11		1	13	15	6	1	2	3
	100.0	29.7	14.9		1.4	17.6	20.3	8.1	1.4	2.7	4.1
	0.9	0.6	2.9		0.9	0.8	1.1	1.8	0.5	0.8	1.1
	0.9	0.3	0.1			0.2	0.2	0.1			
2 3 5	35	16	2		2	9	4		1		1
	100.0	45.7	5.7		5.7	25.7	11.4		2.9		2.9
	0.4	0.5	0.5		1.7	0.6	0.3		0.5		0.4
	0.4	0.2				0.1					
2 4 5	107	53	27			9	8	2	1	3	4
	100.0	49.5	25.2			8.4	7.5	1.9	0.9	2.8	3.7
	1.3	1.9	7.1			0.6	0.6	0.6	0.5	1.3	1.8
	1.3	0.7	0.3			0.1	0.1				
3 4 5	78	21	1		1	21	21	3	2	2	
	100.0	26.6	1.3		1.3	26.9	26.9	3.8	2.6	2.6	
	1.9	0.8	0.3		0.9	1.6	1.5	0.9	1.1	0.8	
	1.9	0.3				0.3	0.3				
1 2 3 6	93	21	4		1	11	14	1		2	1
	100.0	39.6	3.8		1.9	20.8	26.4	1.9		3.8	1.9
	0.7	0.6	0.9		0.9	0.7	1.8	0.3		0.8	0.4
	0.7	0.3				0.1	0.2				
1 2 3 5	46	21	1	2		8	8	1		4	3
	100.0	43.8	2.1	4.2		16.7	16.7	2.1		8.3	6.3
	0.6	0.6	0.3	4.2		0.5	0.6	0.3		1.7	1.1
	0.6	0.3				0.1	0.1				
1 2 4 5	102	54	6			10	17	1	3	5	6
	100.0	52.9	5.9			9.8	16.7	1.8	2.9	4.9	5.9
	1.3	1.5	1.6			0.7	1.3	0.3	1.6	2.1	2.3
	1.3	0.7	0.1			0.1	0.2			0.1	0.1
1 3 4 5	180	66	1	2	3	43	38	17	1	7	6
	100.0	36.4	0.6	1.1	1.7	23.9	21.1	9.4	0.6	3.9	3.3
	2.2	1.7	0.3	4.2	2.6	2.6	2.8	5.1	0.5	4.9	2.3
	2.2	0.8				0.5	0.5	0.2		0.1	0.1

07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

TABLE 3.12

SELECTION TABLE CRITERIA BY MODE OF RESOLUTION (PRE-ESTABLISHED CRITERIA)
MODE OF RESOLUTION:

-- SELECTION TABLE CRITERIA --	TOTAL	VALID SEA CORRECTION	ACCEPTABLE DOCUMENTATION	OE RESOLUTION	UNABLE TO CONTACT-STUDENT/PAR	TOTAL NON RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SEA CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
2 3 4 5.....	13	9			2			1		1		NC
	100.0	69.2			15.4			7.7		7.7		NC
	0.2	0.3			1.7			0.3		0.4		CC
	0.2	0.1										AC
1 2 3 4 5.....	5	3				2						NC
	100.0	60.0				40.0						NC
	0.1	0.1				0.1						CC
	0.1											AC

1 = AGI INCONSISTENT WITH TAXES PAID
2 = CORRECTIONS RESULTING IN EI CHANGE OF 500+ POINTS
3 = ASSUMED AGI AND NO RESULTING CONNECTION
4 = HOUSEHOLD SIZE IS GREATER THAN EXEMPTIONS
5 = LARGE NUMBER OF FNE

BEST COPY AVAILABLE

TABLE 3.13

DISTRIBUTION OF AVERAGE CHANGE IN DISCREPANT DATA BY SELECTION TABLE CRITERIA FOR EACH ALPHATED DATA ELEMENT (PRE-ESTABLISHED CRITERIA)

*** DATA ELEMENT ***

-- SELECTION TABLE CRITERIA --	TOTAL	MODEL	OCCUPATION SIZE	PME	NII	AGI	TAXES PAID	SEI	
TOTAL	3,783	28	913	881	807	2,218	3,818	2,892	SC
		-0.3	-1.6	-1.4	1234.8	2349.8	-488.8	555.1	MM
1	159	3	28	19	34	81	139	133	SC
		-1.8	-0.6	-0.7	983.8	2859.2	-385.6	448.8	MM
2	35		3	3	21	15	8	27	SC
			0.3	-0.3	1339.1	784.3	-2.8	397.6	MM
3	38		4	4	13	13	7	15	SC
					1022.1	1088.8	188.9	141.8	MM
4	43	2	12	7	17	17	18	13	SC
			-2.3	-0.4	773.2	1497.1	39.3	438.7	MM
5	11		4	5	8	2	3	7	SC
			-1.8	-2.8	1875.8	382.8	-145.7	435.3	MM
1 2	396	6	92	56	94	345	519	504	SC
			-8.8	-8.8	714.2	2911.8	-577.7	568.4	MM
1 3	483		99	71	84	317	412	398	SC
			-8.9	-8.8	1427.4	2489.3	-575.8	562.5	MM
1 4	337	1	118	61	84	146	296	243	SC
		1.8	-2.7	-8.4	1662.1	2288.1	-591.5	681.7	MM
1 5	95	1	18	45	23	31	83	84	SC
		1.8	-2.2	-2.8	-1295.9	2931.8	-1388.8	425.3	MM
2 3	48		18	3	28	25	12	24	SC
			8.8	-1.8	517.1	3883.5	487.5	787.8	MM
2 4	78	1	31	13	48	69	31	41	SC
		-1.8	-3.1	-8.5	1382.4	1751.1	188.1	558.7	MM
2 5	37	1	8	13	14	14	11	24	SC
		-1.8	-8.5	-2.9	-148.9	-389.3	-252.8	143.6	MM
3 4	32		11	8	17	21	16	13	SC
			-2.8	-1.3	-957.8	2336.9	488.2	988.9	MM
3 5	7		1	4	4	5	2	2	SC
			-3.8	-3.3	-2859.8	1928.2	-138.8	276.8	MM
4 5	14		3	8	8	4	3	4	SC
			-4.3	-3.4	1237.8	1155.8	-82.3	188.8	MM
1 2 3	214	2	35	21	88	135	158	166	SC
		-1.8	-8.2	-8.5	2881.9	888.4	-356.1	382.7	MM

BEST COPY AVAILABLE

TABLE 3.13

DISTRIBUTION OF AVERAGE CHANGE TO DISCREPANT DATA BY SELECTION TABLE CRITERIA FOR EACH REPORTED DATA ELEMENT
(PRE-ESTABLISHED CRITERIA)

*** DATA ELEMENT ***

-- SELECTION TABLE CRITERIA --	TOTAL	MODEL	HH SIZE	PHE	NII	AGI	TAXES PAID	SEI	
1 2 4	322		99	60	79	167	264	257	SC
			-1.6	-0.3	1283.7	2503.0	-245.6	531.6	MN
1 2 5	260	2	32	75	45	125	235	236	SC
		-1.0	-0.4	-1.5	2806.7	2549.2	-465.8	366.7	MN
1 3 4	367		114	73	74	272	310	242	SC
			-1.9	-0.5	1329.1	2305.6	-278.9	990.1	MN
1 3 5	140	2	26	89	22	99	117	118	SC
			-0.2	-2.2	1480.9	2608.5	-439.7	570.8	MN
1 4 5	181	4	63	98	38	92	157	131	SC
		0.5	-2.3	-2.1	688.1	2484.4	-1516.4	535.9	MN
2 3 4	24	1	6	2	10	15	14	18	SC
		-1.0	-3.0	-1.0	2097.3	2993.7	-96.9	710.3	MN
2 3 5	16		1	9	3	8	7	9	SC
			1.0	-2.4	3826.4	1127.9	83.3	421.0	MN
2 4 5	56		23	30	19	26	24	34	SC
			-2.6	-2.4	1328.7	865.4	348.5	551.2	MN
3 4 5	29	1	13	20	12	17	11	10	SC
		-1.0	-2.5	-2.5	771.0	533.4	-73.4	743.2	MN
1 2 3 4	23		8	4	0	14	22	19	SC
			-1.6	-0.8	-716.7	1587.1	-11.1	290.8	MN
1 2 3 5	25		6	8	3	15	20	18	SC
			-0.7	-1.5	3210.3	1285.1	-425.5	376.6	MN
1 2 4 5	59	1	18	22	5	24	49	49	SC
		-1.0	-2.6	-1.9	124.0	2861.8	-71.5	297.0	MN
1 3 4 5	69		26	46	13	46	61	48	SC
			-1.6	-2.0	986.7	2987.1	-80.6	488.8	MN
2 3 4 5	10		4	6	3	6	6	8	SC
			-0.5	-1.3	1589.8	5213.5	536.5	497.0	MN
1 2 3 4 5	3		1		1	2	3	3	SC
			-1.0		7891.0	1967.5	870.8	392.3	MN

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS)!
1 = AGI INCONSISTENT WITH TAXES PAID
2 = CORRECTIONS RESULTING IN EI CHANGE OF 500+ POINTS
CELL ENTRIES ARE DUPLICATED COUNTS.
3 = ASSUMED AGI AND NO RESULTING CORRECTION
4 = HOUSEHOLD SIZE IS GREATER THAN EXEMPTIONS
5 = LARGE NUMBER OF PHE
07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

3.5.1: Institution Size

Institutions at which students were enrolled were divided into three size categories based on total enrollment figures: less than 1000, 1001-5000, and greater than 5000. For convenience, as findings are reported, these size categories will be referred to as small, medium, and large, respectively. In addition, a fourth category is referred to for institutions of unknown size.

Proportionately more of the students selected for the Pre-established Criteria study attended medium-sized institutions (34.2%), and relatively few students attended small institutions (11.8%). These figures provide a framework for interpreting the relationship of institution size to study results.

Table 3.14 presents the relationship of institution size to resolution mode. No clear-cut trends were evidenced, although a slightly higher proportion of students attending large institutions made valid SER corrections (52.5% compared to an overall figure of 44.3%), and a slightly lower proportion of this same group were total non-respondents (15.5% vs. an overall average of 19.2%) or did not respond to additional requests (13.7% vs. an overall figure of 17.0%). These differences are not sufficiently large to be considered meaningful, however.

The relationship between actual SER discrepancies and institution size is examined in Table 3.15. Although some minor differences exist between proportion of cases with a given discrepancy among institution size groups, no overall trends are apparent.

Table 3.16 presents the unduplicated distribution of actual SER discrepancies by SEI change for each institution size category. There are no significant differences in average absolute or effective SEI changes by institution size. Furthermore, for the discrepancy types that are related to SEI changes which differ according to institution size, the number of cases in the categories are so small that the differences cannot be considered stable (e.g., adjusted gross income, household size). It should be noted that, within this table, cases

TABLE 3.14

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SAI FOR VARIOUS INSTITUTION SIZES
(PRE-ESTABLISHED CRITERIA)

--- MODE OF RESOLUTION ---	TOTAL	*** INSTITUTION SIZE *** LESS THAN 1,001	1,001-5,000	GREATER THAN 5,000	UNKNOWN	
TOTAL.....	8,006	946	2,735	2,417	1,908	SC
	100.0	11.8	34.2	30.2	23.8	MC
	100.0	100.0	100.0	100.0	100.0	CC
	294.8	288.8	294.6	325.1	259.8	MM
01 VALID SAI CORRECTION.....	3,543	455	1,287	1,269	532	SC
	100.0	12.8	36.3	35.8	15.0	MC
	44.3	48.1	47.1	52.5	27.9	CC
	340.7	347.1	343.6	352.3	380.8	MM
02 ACCEPTABLE DOCUMENTATION...	381	37	106	115	123	SC
	100.0	9.7	27.8	30.2	32.3	MC
	4.8	3.9	3.9	4.8	6.4	CC
	376.9	381.8	390.6	427.0	316.9	MM
03 OE RESOLUTION.....	48	3	18	17	10	SC
	100.0	6.3	37.5	35.4	20.8	MC
	0.6	0.3	0.7	0.7	0.5	CC
	300.8	288.7	365.7	313.6	189.2	MM
04 UNABLE TO CONTACT STUDENT..	117	7	31	32	47	SC
	100.0	6.0	26.5	27.4	40.2	MC
	1.5	0.7	1.1	1.3	2.5	CC
	199.9	166.8	150.9	266.8	192.8	MM
05 TOTAL NON-RESPONSE.....	1,537	170	471	374	522	SC
	100.0	11.1	30.6	24.3	34.0	MC
	19.2	18.0	17.2	15.5	27.4	CC
	260.8	256.5	265.5	284.7	255.2	MM
06 NON-RESPONSE TO ADDITIONAL REQUEST.....	1,259	168	427	332	432	SC
	100.0	12.4	31.4	24.4	31.8	MC
	17.0	17.8	15.6	13.7	22.6	CC
	234.9	203.1	229.2	265.3	214.8	MM
07 UNACCEPTABLE RESPONSE.....	333	39	138	81	75	SC
	100.0	11.7	41.4	24.3	22.5	MC
	4.2	4.1	5.0	3.4	3.9	CC
	190.4	176.8	188.2	212.9	216.8	MM
08 NON-USE OF GRANT.....	165	25	55	59	46	SC
	100.0	13.5	29.7	31.9	24.9	MC
	2.3	2.6	2.0	2.4	2.4	CC
	334.1	282.2	306.5	464.6	308.3	MM
SAI CORRECTION NOT YET PROCESSED.....	240	18	101	83	38	SC
	100.0	7.5	42.1	34.6	15.8	MC
	3.0	1.9	3.7	3.4	2.0	CC

BEST COPY AVAILABLE

TABLE 3.14

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SCI FOR VARIOUS INSTITUTION SIZES
(PRE-ESTABLISHED CRITERIA)

--- MODE OF RESOLUTION ---	TOTAL	LESS THAN 1,001	1,001-5,000	GREATER THAN 5,000	OTHER-UNKNOWN	
	253.6	181.4	217.0	287.2	311.3	MN
CASE UNRESOLVED.....	263	24	101	55	83	SC
	100.0	9.1	38.4	20.9	31.6	NC
	3.3	2.5	3.7	2.3	4.4	CC
	225.3	185.0	229.8	246.8	217.3	MN

3.49

BEST COPY AVAILABLE

TABLE 3.15

DUPLICATED DISTRIBUTION OF ACTUAL DISCREPANCY TYPES BY INSTITUTION SIZE (PRE-ESTABLISHED AND ACT CRITERIA)

--- ACTUAL DISCREPANCY ---	GRAND TOTAL	--- TOTAL ---		*** INSTITUTION SIZE *** LESS THAN 1,001		1,001-5,000		GREATER THAN 5,000		OTHER-UNKNOWN		
		PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	
TOTAL	4,068	3,783	285	473	43	1,388	110	1,352	63	570	69	
	100.0	93.0	7.0	11.6	1.1	34.1	2.7	33.2	1.5	14.0	1.7	
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
	100.0	93.0	7.0	11.6	1.1	34.1	2.7	33.2	1.5	14.0	1.7	
ADJUSTED GROSS INCOME - 12:13	2,345	2,246	99	279	12	878	48	798	27	291	20	
	100.0	95.8	4.2	11.9	0.5	37.4	1.7	34.0	1.2	12.4	0.9	
	57.6	59.4	34.7	59.0	27.9	63.3	36.4	59.0	42.9	51.1	29.0	
	57.6	55.2	2.4	6.9	0.3	21.6	1.0	19.6	0.7	7.2	0.5	
TAXES PAID - 16:17:18	3,075	3,016	59	366	5	1,120	30	1,104	16	426	8	
	100.0	98.1	1.9	11.9	0.2	36.4	1.0	35.9	0.5	13.9	0.3	
	75.6	79.7	20.7	77.4	11.6	80.7	27.3	81.7	25.4	74.7	11.6	
	75.6	74.1	1.5	9.0	0.1	27.5	0.7	27.1	0.4	10.5	0.2	
DEPENDENCY STATUS - 02	19	12	7	1	4	4	1	3	1	2	3	
	100.0	63.2	36.8	5.3	10.3	21.1	2.3	15.8	2.3	10.5	15.8	
	0.5	0.3	2.5	0.2	9.3	0.4	0.9	0.2	1.6	0.4	4.3	
	0.5	0.3	0.2			0.1		0.1			0.1	
ASSETS - 21	99	66	33	7	6	19	9	29	3	11	5	
	100.0	74.2	25.8	7.9	6.7	21.3	10.1	32.6	3.4	12.4	5.6	
	2.2	1.7	0.1	1.5	14.0	1.4	0.2	2.1	4.8	1.9	7.2	
	2.2	1.6	0.9	0.2	0.1	0.5	0.2	0.7	0.1	0.3	0.1	
CITIZENSHIP - 01												
NON-TAXABLE INCOME - 08:09:10:11	974	868	114	115	13	333	45	389	23	123	31	
	100.0	88.3	11.7	11.8	1.3	32.1	4.6	31.7	2.4	12.6	3.2	
	23.9	22.7	40.0	24.3	30.2	22.6	40.9	22.9	36.5	21.6	44.9	
	23.9	21.1	2.8	2.8	0.4	7.7	1.1	7.6	0.6	3.0	0.8	
POSITIONS RANKED - 14:15	2,786	2,582	204	323	19	1,009	52	981	28	349	25	
	100.0	95.4	4.6	11.9	0.7	37.3	1.9	33.3	1.0	12.9	0.9	
	66.5	68.3	63.3	68.3	44.2	72.7	47.3	68.6	44.4	61.2	36.2	
	66.5	63.5	3.9	7.9	0.5	24.8	1.3	22.1	0.7	8.6	0.6	
POST HIGH ENROLLMENT - 05:06:07	974	948	26	114	2	368	8	318	7	146	9	
	100.0	97.3	2.7	11.9	0.2	37.8	0.8	32.6	0.7	15.0	0.9	
	23.9	25.1	9.1	24.5	4.7	26.5	7.3	23.5	11.1	25.6	13.0	
	23.9	23.3	0.6	2.9		9.0	0.2	7.8	0.2	3.6	0.2	
HOUSEHOLD SIZE - 04	1,007	930	77	102	10	339	28	343	15	146	18	
	100.0	92.4	7.6	10.1	1.0	33.7	2.8	34.1	1.5	14.5	1.8	
	24.8	24.6	27.0	21.6	37.2	24.4	26.5	25.4	23.8	25.6	26.1	
	24.8	22.9	1.9	2.5	0.4	8.3	0.7	8.4	0.4	3.6	0.4	

BEST COPY AVAILABLE

TABLE 3.15

DUPLICATED DISTRIBUTION OF ACTUAL DISCREPANCY TYPES BY INSTITUTION SIZE (PRE-ESTABLISHED AND ACT CRITERIA)
*** INSTITUTION SIZE ***

--- ACTUAL DISCREPANCY ---	GRAND TOTAL	- TOTAL - PEC	- TOTAL - ACT	LESS THAN 1,001 PEC	LESS THAN 1,001 ACT	1,001-5,000 PEC	1,001-5,000 ACT	GREATER THAN 5,000 PEC	GREATER THAN 5,000 ACT	OTHER-UNKNOWN PEC	OTHER-UNKNOWN ACT	
VETERAN'S BENEFITS - 23.....	4	3	1			2		1			1	SC
	100.0	75.0	25.0			50.0		25.0			25.0	RC
	0.1	0.1	0.4			0.1		0.1			1.4	CC
	0.1	0.1										MC
UNUSUAL EXPENSES - 19.20.....	90	83	7	11	2	69	4	31		12	1	SC
	100.0	92.2	7.8	12.2	2.2	32.2	4.4	34.4		13.3	1.1	RC
	2.2	2.2	2.5	2.3	4.7	2.1	3.6	2.3		2.1	1.4	CC
	2.2	2.0	0.2	0.3		0.7	0.1	0.8		0.3		MC
APPLICANT SAVINGS - 22.....	9	7	2			2	1	5	1			SC
	100.0	77.8	22.2			22.2	11.1	55.6	11.1			RC
	0.2	0.2	0.7			0.1	0.9	0.4	1.6			CC
	0.2	0.2						0.1				MC
PRIOR ENROLLMENT - 24.....												
OTHER - 25.03.28.30.....	225	198	27	20	7	79	12	71	2	29	5	SC
	100.0	88.4	11.6	8.9	3.1	35.1	5.3	31.6	0.9	12.9	2.2	RC
	5.5	5.3	9.1	4.2	10.3	5.7	10.9	5.3	3.2	3.1	7.2	CC
	5.5	4.9	0.8	0.5	0.6	1.9	0.3	1.7		0.7	0.1	MC
NONE - 27.....	83	59	4	18		13	1	23		11	3	SC
	100.0	93.7	6.3	15.9		23.8	1.6	38.5		17.5	4.8	RC
	1.5	1.6	1.4	2.1		1.1	0.9	1.7		1.9	4.3	CC
	1.5	1.5	0.1	0.2		0.4		0.6		0.3	0.1	MC
UNKNOWN - 28.....												
MULTIPLE -												

NOTE: TOTAL RUN(S) REPRESENT CASES (STUDENTS).
CELL ENTRIES ARE DUPLICATED COUNTS.

3.51

BEST COPY AVAILABLE

TABLE 3.16

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES FOR VARIOUS INSTITUTION SIZES (PRE-ESTABLISHED CRITERIA)

	*** INSTITUTION SIZE ***										
	- TOTAL -		LESS THAN 1,001		1,001-5,000		GREATER THAN 5,000		OTHER-UNKNOWN		
--- ACTUAL DISCREPANCY ---	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	
TOTAL.....	3,543	3,543	455	455	1,287	1,287	1,269	1,269	532	532	SC
	100.0	100.0	12.8	12.8	36.3	36.3	35.8	35.8	15.0	15.0	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	453.1	269.3	489.9	283.7	448.8	277.9	414.8	263.7	530.6	249.2	MM
ADJUSTED GROSS INCOME - 12,13.....	36	36	4	4	11	11	13	13	8	8	SC
	100.0	100.0	11.1	11.1	30.6	30.6	36.1	36.1	22.2	22.2	MC
	1.0	1.0	0.9	0.9	0.9	0.9	1.0	1.0	1.5	1.5	CC
	419.7	249.5	1836.9	884.8	311.8	208.5	224.3	174.2	169.3	131.6	MM
TAXES PAID - 16,17,18.....	518	518	69	69	173	173	190	190	86	86	SC
	100.0	100.0	13.3	13.3	33.4	33.4	36.7	36.7	16.6	16.6	MC
	14.6	14.6	15.2	15.2	13.4	13.4	15.0	15.8	16.2	16.2	CC
	104.2	95.5	124.9	104.6	79.3	76.6	112.9	102.1	119.1	113.6	MM
DEPENDENCY STATUS - 02.....											
ASSETS - 21.....	1	1	1	1							SC
	100.0	100.0	100.0	100.0							MC
			0.2	0.2							CC
											MM
CITIZENSHIP - 01.....											
NON-TAXABLE INCOME - 08,09,10,11.....	73	73	9	9	21	21	27	27	16	16	SC
	100.0	100.0	12.3	12.3	28.8	28.8	37.0	37.0	21.9	21.9	MC
	2.1	2.1	2.0	2.0	1.6	1.6	2.1	2.1	3.0	3.0	CC
	154.0	132.2	213.6	137.8	148.2	142.4	148.3	148.3	72.1	62.6	MM
PORTIONS LAWNED - 14,15.....	20	20	3	3	3	3	6	6	8	8	SC
	100.0	100.0	15.0	15.0	15.0	15.0	30.0	30.0	40.0	40.0	MC
	0.6	0.6	0.7	0.7	0.2	0.2	0.5	0.5	1.5	1.5	CC
	43.2	48.1	182.7	182.7			-46.3	-36.7	59.3	59.3	MM
POST HIGH ENROLLMENT - 05,06,07.....	30	30	6	6	6	6	8	6	8	6	SC
	100.0	100.0	20.0	20.0	26.7	26.7	26.7	26.7	26.7	26.7	MC
	0.8	0.8	1.3	1.3	0.5	0.6	0.6	0.6	1.5	1.5	CC
	166.4	116.3	238.0	137.7	140.3	91.9	170.4	99.5	144.8	141.4	MM
HOUSEHOLD SIZE - 04.....	35	35	10	10	9	9	9	9	7	7	SC
	100.0	100.0	28.6	28.6	25.7	25.7	25.7	25.7	20.0	20.0	MC
	1.0	1.0	2.2	2.2	0.7	0.7	0.7	0.7	1.3	1.3	CC
	82.5	80.0	44.5	44.5	-75.6	-75.6	224.9	215.0	157.0	157.0	MM

BEST COPY AVAILABLE

TABLE 3.16

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES FOR VARIOUS INSTITUTION SIZES (PRE-ESTABLISHED CRITERIA)

	*** INSTITUTION SIZE ***										
	- TOTAL -		LESS THAN 1,001		1,001- 5,000		GREATER THAN 5,000		OTHER- UNKNOWN		
--- ACTUAL DISCREPANCY ---	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	ABSO- LUTE	EFFEC- TIVE	
VETERAN'S BENEFITS - 23.....											
UNUSUAL EXPENSES - 19,29.....	2	2					1	1	1	1	SC
	100.0	100.0					50.0	50.0	50.0	50.0	MC
	0.1	0.1					0.1	0.1	0.2	0.2	CC
	879.0	729.5					1382.0	1200.0	376.0	259.0	MM
APPLICANT SAVINGS - 22.....											
PRIOR ENROLLMENT - 24.....											
OTHER - 25,03,26,30.....	2	2			2	2					SC
	100.0	100.0			100.0	100.0					MC
	0.1	0.1			0.2	0.2					CC
	-151.0	-151.0			-151.0	-151.0					MM
NONE - 27.....	31	31	8	8	7	7	13	13	3	3	SC
	100.0	100.0	25.8	25.8	22.6	22.6	41.9	41.9	9.7	9.7	MC
	0.9	0.9	1.8	1.8	0.5	0.5	1.0	1.0	0.6	0.6	CC
	323.4	221.3	416.0	325.8	79.3	79.3	460.9	273.1	49.7	49.7	MM
UNKNOWN - 26.....											
MULTIPLE - COMBINATIONS OF ABOVE.....	2,795	2,795	345	345	1,053	1,053	1,002	1,002	395	395	SC
	100.0	100.0	12.3	12.3	37.7	37.7	35.8	35.8	14.1	14.1	MC
	78.9	78.9	75.8	75.8	81.6	81.6	79.0	79.0	74.2	74.2	CC
	938.4	311.8	877.8	326.9	525.0	321.6	486.3	301.1	674.1	297.9	MM

3.53

BEST COPY AVAILABLE

that had more than one SER discrepancy are included only in the multiple discrepancy row. Since a high proportion of the cases did have more than one SER discrepancy (78.9%), the frequency of cases in the other discrepancy type rows is low (with the exception of taxes paid discrepancies, less than 2% of the sample had a sole error of any of the other individual types).

3.5.2: Institution Control

The majority of the students selected for the Pre-established Criteria study (61.7%) attended public institutions. Approximately one-fifth attended private non-profit institutions, and relatively few attended proprietary schools (4.2%). Although data are not yet available on the distribution of the population of 1977-78 Basic Grant recipients by type of institution attended, the distribution of Pre-established Criteria cases by institution control is very similar to the distribution of the population of 1976-77 recipients by institution attended, as the following text table indicates.

Distribution of Pre-established Criteria Cases and Population of 1976-77 Recipients by Institution Control

	Total	Public	Private Non-Profit	Private Proprietary	Other/ Unknown
1977-78 Pre-established Criteria Cases	8,006 (100.0%)	4,941 (61.7%)	1,724 (21.5%)	340 (4.2%)	1,001 (12.5%)
1976-77 Population of Basic Grant Recipients[1]	1,932,000 (100.0%)	1,372,000 (71.0%)	382,269 (19.8%)	168,585 (8.7%)	9,120 (0.5%)

[1] Based on recipient data from the Program Information and Monitoring System (PIMS).

Table 3.17 indicates that some interesting differences in patterns of resolution modes exist by institution control. While approximately half of the public and private institution students each made valid SER corrections, this was true for only 36.5 percent of the proprietary students and 12.0 percent of the students whose

TABLE 3.17

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SEI FOR VARIOUS TYPES OF INSTITUTION CONTROL (PRE-ESTABLISHED AND ACT CRITERIA)

				*** INSTITUTION CONTROL ***								
	GRAND TOTAL	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER- UNKNOWN		
*** MODE OF RESOLUTION ***		PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	
TOTAL	9,126	8,006	1,120	4,941	357	1,724	137	340	28	1,001	598	SC
	100.0	87.7	12.3	54.1	3.9	18.9	1.5	3.7	0.3	11.0	6.6	MC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	266.5	264.8	93.7	264.2	87.0	324.5	101.1	255.6	95.0	260.1	39.8	MN
01 VALID SEM CONNECTION	3,758	3,543	215	2,422	131	877	53	124	9	120	22	SC
	100.0	94.3	5.7	64.4	3.5	23.3	1.4	3.3	0.2	3.2	0.6	MC
	41.2	44.3	19.2	49.0	36.7	50.9	38.7	36.5	32.1	12.0	3.7	CC
	326.7	348.7	131.3	338.3	116.7	367.1	152.5	250.6	273.6	290.3	109.1	MN
02 ACCEPTABLE DOCUMENTATION	584	381	123	211	50	95	14	15	4	60	46	SC
	100.0	70.6	64.4	41.9	11.7	10.8	2.8	3.8	0.8	11.9	9.1	MC
	5.5	4.8	11.0	4.3	14.3	5.5	10.2	4.4	14.3	6.0	7.7	CC
	309.8	376.9	98.9	361.5	139.8	309.6	68.9	354.7	69.5	480.3	61.2	MN
03 OE RESOLUTION	52	48	4	29	1	14				5	3	SC
	100.0	92.3	7.7	55.8	1.9	26.9				9.6	5.8	MC
	0.6	0.6	0.4	0.6	0.3	0.8				0.5	0.5	CC
	264.1	308.8	83.3	361.9		430.2				144.6	111.0	MN
04 UNABLE TO CONTACT STUDENT	157	117	40	63		13		7		34	40	SC
	100.0	74.5	25.5	40.1		8.3		4.5		21.7	25.5	MC
	1.7	1.5	3.6	1.3		0.8		2.1		3.4	6.7	CC
	130.3	109.9	5.4	103.6		118.9		440.6		211.6	5.4	MN
05 TOTAL NON-RESPONSE	1,687	1,537	270	793	3	268		86		398	265	SC
	100.0	85.1	14.9	43.9	0.3	14.8		4.8		21.6	14.7	MC
	19.8	19.2	24.1	16.0	1.4	15.5		25.3		39.8	44.3	CC
	227.7	260.8	99.3	252.6		283.1		267.2		264.8	40.8	MN
06 NON-RESPONSE TO ADDITIONAL REQUEST	1,336	1,269	179	766	42	249	14	68	6	476	117	SC
	100.0	88.6	11.4	49.8	2.7	16.2	0.9	4.4	0.4	17.9	7.6	MC
	14.9	17.8	16.0	15.5	11.0	14.4	10.2	20.0	21.4	27.6	19.6	CC
	218.5	234.9	65.7	233.4	48.7	420.2	9.9	219.9		420.8	20.7	MN
07 UNACCEPTABLE RESPONSE	427	333	94	213	42	71	28	17	4	32	48	SC
	100.0	78.0	22.0	49.9	9.8	16.6	6.7	4.0	0.9	7.5	8.6	MC
	4.7	4.2	8.4	4.3	11.0	4.1	14.6	5.0	14.3	3.2	4.7	CC
	164.6	198.4	44.8	189.2	44.3	428.1	41.6	245.4		173.8	54.1	MN
08 NON-USE OF GRANT	203	185	18	114	9	36		10		27	12	SC
	100.0	91.1	8.9	56.2	3.8	18.7		4.9		13.3	5.9	MC
	2.2	2.3	1.6	2.3	1.7	2.0		2.9		2.7	2.0	CC
	327.7	354.1	56.7	377.8		328.8		349.8		298.6	85.1	MN
SEM CORRECTION NOT RECEIVED PROCESSED	310	240	70	172	42	54	20	4	2	18	6	SC
	100.0	77.4	22.6	55.5	14.3	17.4	6.8	1.3	0.6	5.2	1.9	MC

BEST COPY AVAILABLE

TABLE 3.17

DISTRIBUTION OF MODE OF RESOLUTION BY AVERAGE INITIAL SET FOR VARIOUS TYPES OF INSTITUTION CONTROL (PRE-ESTABLISHED AND ACT CRITERIA)

--- MODE OF RESOLUTION ---	GRAND TOTAL	- TOTAL -		*** INSTITUTION CONTROL *** PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN		
		PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	
	3.4	3.0	6.3	3.5	11.8	3.1	14.6	1.2	7.1	1.0	1.0	CC
	222.9	253.6	117.9	241.4	75.7	286.6	102.9	21.5		377.4	302.5	MN
CASE UNRESOLVED.....	370	263	107	158	27	49	16	9	3	47	59	SC
	100.0	71.1	28.9	42.7	7.0	13.2	4.3	2.4	0.8	12.7	15.9	HC
	4.1	3.3	9.6	3.2	8.1	2.8	11.7	2.6	10.7	4.7	9.9	CC
	164.8	225.3	16.1	203.1	27.3	289.2	18.6	193.2		239.5	10.7	MN

3.57

institution control was unknown. Proportionately more of the proprietary and unknown control students were closed for total nonresponse (25.3% and 39.0%, respectively) than public or private school students (16.0% and 15.5%, respectively). In a similar trend, proportionately more proprietary and unknown control students did not respond to additional requests (20.5% and 27.6%, respectively), than was true for public or private school attendees (15.5% and 14.4%, respectively). It appears that students who attend proprietary schools and institutions of unknown control have what might be considered less desirable patterns of response from the point of view of correcting program abuse and misuse.

For those students whose cases were closed due to valid SER corrections (processed and unprocessed), Table 3.18 examines the relationship between types of discrepancies which were confirmed and control of the institution which the students attended. Overall, there are few differences in the proportion of students who made a given type of SER correction by institution control. However, a few minor differences were apparent. Proportionately more of the students who attended private non-profit schools made adjusted gross income corrections (64.1% vs. an overall average of 59.4%); this may be due to the fact that these schools are typically more expensive than the other types and these students may have made more adjusted gross income corrections because they have higher incomes. Students at schools of unknown control made proportionately fewer taxes paid corrections (73.8% vs. an overall figure of 79.7%). Finally, proprietary school students had proportionately more corrections to the unusual expenses field (4.7% vs. an overall figure of 2.2%).

Table 3.19 examines the average SEI changes which resulted from corrections to SER fields by institution control. Examination of the total row indicates that, across discrepancy types, students who attended proprietary schools had larger absolute and effective SEI changes than the rest of the cases (562.6 and 381.7, respectively, compared to an overall average of 453.1 and 269.3, respectively). For the most part, this pattern of larger SEI changes

TABLE 3.18

DUPLICATED DISTRIBUTION OF ACTUAL DISCREPANCY TYPES BY INSTITUTION CONTROL (PRE-ESTABLISHED AND ACT CRITERIA)
*** INSTITUTION CONTROL ***

--- ACTUAL DISCREPANCY ---	GRAND TOTAL	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN	
		PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT
TOTAL.....	4,000	3,783	283	2,596	173	931	73	128	11	130	26
	100.0	93.0	7.0	63.8	4.3	22.9	1.8	3.1	0.3	3.2	0.7
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	100.0	93.0	7.0	63.8	4.3	22.9	1.8	3.1	0.3	3.2	0.7
ADJUSTED GROSS INCOME - 12,13.....	2,345	2,246	99	1,504	63	547	26	73	4	72	6
	100.0	95.8	4.2	64.1	2.7	23.5	1.1	3.1	0.2	3.1	0.3
	57.6	59.4	34.7	58.0	36.4	58.1	35.6	57.0	36.4	55.4	21.4
	57.6	55.2	2.4	37.0	1.5	14.7	0.6	1.8	0.1	1.8	0.1
TAXES PAID - 16,17,18.....	3,075	3,016	59	2,084	33	733	18	103	3	96	3
	100.0	98.1	1.9	67.8	1.1	23.8	0.6	3.3	0.1	3.1	0.1
	75.6	79.7	20.7	80.3	20.2	78.7	24.7	80.5	27.3	73.8	10.7
	75.6	74.1	1.5	51.2	0.9	18.0	0.4	2.5	0.1	2.4	0.1
DEPENDENCY STATUS - 02.....	19	14	5	8	3	2	2	1		1	
	100.0	63.2	36.8	42.1	20.3	10.5	10.5	5.3		5.3	
	0.5	0.3	2.5	0.3	2.9	0.2	2.7	0.8		0.8	
	0.5	0.3	0.2	0.2	0.1						
ASSETS - 21.....	89	66	23	49	10	14	8	1	1	2	4
	100.0	74.2	25.8	55.1	11.2	15.7	9.0	1.1	1.1	2.2	4.5
	2.2	1.7	8.1	1.9	5.8	1.5	11.0	0.8	9.1	1.5	14.3
	2.2	1.6	0.9	1.2	0.6	0.3	0.2				0.1
CITIZENSHIP - 01.....											
NON-TAXABLE INCOME - 08,09,10,11.....	974	860	114	608	73	188	26	27	3	37	12
	100.0	88.3	11.7	62.4	7.5	19.3	2.7	2.8	0.3	3.8	1.2
	23.9	22.7	40.3	23.4	42.2	20.2	35.6	21.1	27.3	28.5	42.9
	23.9	21.1	2.8	14.9	1.8	4.6	0.6	0.7	0.1	0.9	0.3
PORTIONS EARNED - 14,15.....	2,706	2,582	124	1,772	71	643	39	85	4	82	10
	100.0	95.4	4.6	65.5	2.6	23.8	1.4	3.1	0.1	3.0	0.4
	66.5	68.3	43.5	68.3	41.0	69.1	53.4	66.4	36.4	63.1	35.7
	66.5	63.5	3.0	43.6	1.7	15.8	1.0	2.1	0.1	2.0	0.2
POST HIGH ENROLLMENT - 05,06,07.....	974	948	26	662	16	231	4	28		27	4
	100.0	97.3	2.7	68.0	1.6	23.7	0.4	2.9		2.8	0.4
	23.9	25.1	9.1	25.5	10.4	24.8	5.5	21.9		20.8	14.3
	23.9	23.3	0.6	16.3	0.4	5.7	0.1	0.7		0.7	0.1
HOUSEHOLD SIZE - 04.....	1,007	930	77	647	47	219	16	29	4	35	10
	100.0	92.4	7.6	64.3	4.7	21.7	1.6	2.9	0.4	3.5	1.0
	24.8	24.6	47.9	24.9	27.6	23.5	41.9	22.7	36.4	26.9	35.7
	24.8	22.9	1.9	15.9	1.2	5.4	0.4	0.7	0.1	0.9	0.2

07/27/78 -121- PREPARED BY ACADEMIC MANAGEMENT SERVICES, INC.

BEST COPY AVAILABLE

TABLE 3.18

DUPLICATED DISTRIBUTION OF ACTUAL DISCREPANCY TYPES BY INSTITUTION CONTROL (PRE-ESTABLISHED AND ACT CRITERIA)
*** INSTITUTION CONTROL ***

--- ACTUAL DISCREPANCY ---	GRAND TOTAL	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN		
		PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	PEC	ACT	
VETERAN'S BENEFITS - 23.....	4	3	1	2		1	1					SC
	100.0	75.0	25.0	50.0		25.0	25.0					NC
	0.1	0.1	0.4	0.1		0.1	1.4					CC
	0.1	0.1										MC
UNUSUAL EXPENSES - 19,20.....	90	83	7	55	2	18	3	6	1	4	1	SC
	100.0	92.2	7.8	61.1	2.2	20.0	3.3	6.7	1.1	4.4	1.1	NC
	2.2	2.2	2.3	2.1	1.2	1.9	4.1	4.7	9.1	3.1	3.6	CC
	2.2	2.0	0.2	1.4		0.4	0.1	0.1		0.1		MC
APPLICANT SAVINGS - 22.....	9	7	2	5	2	2						SC
	100.0	77.8	22.2	55.6	22.2	22.2						NC
	0.2	0.2	0.7	0.2	1.2	0.2						CC
	0.2	0.2		0.1								MC
PRIOR ENROLLMENT - 24.....												
OTHER - 25,03,28,30.....	225	199	26	145	18	45	6	7		2	2	SC
	100.0	88.4	11.6	64.4	8.0	20.0	2.7	3.1		0.9	0.9	NC
	5.5	5.3	9.1	5.6	10.4	4.8	8.2	5.5		1.5	7.1	CC
	5.5	4.9	0.6	3.6	0.4	1.1	0.1	0.2				MC
NONE - 27.....	63	59	4	38	2	15			1	6	1	SC
	100.0	93.7	6.3	60.3	3.2	23.8			1.6	9.5	1.6	NC
	1.5	1.6	1.4	1.5	1.2	1.6			9.1	4.6	3.6	CC
	1.5	1.5	0.1	0.9		0.4				0.1		MC
UNKNOWN - 26.....												
MULTIPLE -												

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS).
CELL ENTRIES ARE DUPLICATED COUNTS.

3.61

BEST COPY AVAILABLE

TABLE 3.19

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES FOR VARIOUS TYPES OF INSTITUTION CONTROL (PRE-ESTABLISHED CRITERIA)

	*** INSTITUTION CONTROL ***										
	- TOTAL -		PUBLIC		PRIVATE NON-PROFIT		PRIVATE PROPRIETARY		OTHER-UNKNOWN		
--- ACTUAL DISCREPANCY ---	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	
TOTAL.....	3,543	3,543	2,622	2,622	877	877	124	124	120	120	SC
	100.0	100.0	68.4	68.4	24.8	24.8	3.5	3.5	3.4	3.4	NC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	453.1	269.3	405.3	270.8	415.1	248.4	562.6	381.7	371.4	273.8	MM
ADJUSTED GROSS INCOME - 12,13.....	36	36	25	25	9	9	2	2			SC
	100.0	100.0	69.4	69.4	25.0	25.0	5.6	5.6			NC
	1.0	1.0	1.0	1.0	1.0	1.0	1.6	1.6			CC
	419.7	249.5	326.3	238.9	329.2	116.9	1994.0	1079.0			MM
TAXES PAID - 16,17,18.....	518	518	354	354	124	124	21	21	19	19	SC
	100.0	100.0	68.3	68.3	23.9	23.9	4.1	4.1	3.7	3.7	NC
	14.6	14.6	14.6	14.6	14.1	14.1	16.9	16.9	15.8	15.8	CC
	104.2	95.5	95.6	90.1	105.4	96.4	222.0	162.0	125.2	116.4	MM
DEPENDENCY STATUS - 02.....											
ASSETS - 21.....	1	1					1	1			SC
	100.0	100.0					100.0	100.0			NC
							0.8	0.8			CC
											MM
CITIZENSHIP - 01.....											
NON-TAXABLE INCOME - 08,09,10,11.....	73	73	48	48	19	19	3	3	3	3	SC
	100.0	100.0	65.8	65.8	26.0	26.0	4.1	4.1	4.1	4.1	NC
	2.1	2.1	2.0	2.0	2.2	2.2	2.4	2.4	2.5	2.5	CC
	154.0	132.2	100.4	97.2	238.1	148.5	629.7	400.0	3.7	3.7	MM
POSITIONS EARNED - 14,15.....	20	20	13	13	6	6			1	1	SC
	100.0	100.0	65.0	65.0	30.0	30.0			5.0	5.0	NC
	0.6	0.6	0.5	0.5	0.7	0.7			0.8	0.8	CC
	43.2	40.1	-12.2	-16.9	170.3	170.3					MM
POST HIGH ENROLLMENT - 05,06,07.....	30	30	21	21	7	7	1	1	1	1	SC
	100.0	100.0	70.0	70.0	23.3	23.3	3.3	3.3	3.3	3.3	NC
	0.8	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	CC
	166.4	116.3	125.1	110.5	240.1	139.1			193.0	193.0	MM
HOUSEHOLD SIZE - 04.....	35	35	21	21	10	10	2	2	2	2	SC
	100.0	100.0	60.0	60.0	28.6	28.6	5.7	5.7	5.7	5.7	NC
	1.0	1.0	0.9	0.9	1.1	1.1	1.6	1.6	1.7	1.7	CC
	62.5	60.8	46.2	42.0	153.7	153.7	105.0	105.0	85.0	85.0	MM

BEST COPY AVAILABLE

TABLE 3.19

UNDUPLICATED DISTRIBUTION OF ACTUAL STUDENT ELIGIBILITY REPORT DISCREPANCIES BY ABSOLUTE AND EFFECTIVE MEAN SEI CHANGES FOR VARIOUS TYPES OF INSTITUTION CONTROL (PRE-ESTABLISHED CRITERIA)

--- ACTUAL DISCREPANCY ---	- TOTAL - ABSOLUTE	- TOTAL - EFFECTIVE	PUBLIC ABSOLUTE	PUBLIC EFFECTIVE	PRIVATE NON-PROFIT ABSOLUTE	PRIVATE NON-PROFIT EFFECTIVE	PRIVATE PROPRIETARY ABSOLUTE	PRIVATE PROPRIETARY EFFECTIVE	OTHER-UNKNOWN ABSOLUTE	OTHER-UNKNOWN EFFECTIVE	
VETERAN'S BENEFITS - 23.....											
UNUSUAL EXPENSES - 19,20.....	2	2	1	1					1	1	SC
	100.0	100.0	50.0	50.0					50.0	50.0	HC
	0.1	0.1							0.0	0.0	CC
	674.0	729.5	1342.0	1200.0					376.0	259.0	MN
APPLICANT SAVINGS - 22.....											
PRIOR ENROLLMENT - 24.....											
OTHER - 25,03,26,30.....	2	2	1	1	1	1					
	100.0	100.0	50.0	50.0	50.0	50.0					SC
	0.1	0.1			0.1	0.1					HC
	-151.0	-151.0	-124.0	-124.0	-178.0	-178.0					CC
											MN
NONE - 27.....	31	31	21	21	9	9			1	1	
	100.0	100.0	67.7	67.7	29.0	29.0			3.2	3.2	SC
	0.9	0.9	0.9	0.9	1.0	1.0			0.0	0.0	HC
	323.4	221.3	358.6	230.3	277.0	224.9					CC
											MN
UNKNOWN - 26.....											
MULTIPLE - COMBINATIONS OF ABOVE.....	2,795	2,795	1,917	1,917	692	692	94	94	92	92	
	100.0	100.0	68.6	68.6	24.8	24.8	3.4	3.4	3.3	3.3	SC
	78.9	78.9	79.1	79.1	78.9	78.9	75.8	75.8	76.7	76.7	HC
	538.4	311.5	556.7	315.4	447.1	282.8	627.8	429.3	450.4	327.8	CC
											MN

S-63

made by proprietary students is true for the SEI changes related to corrections to each individual SER entry as well. However, as was explained in the previous discussion of variation in SER discrepancies by institution size, the subtotals that are associated with each type of discrepancy except multiple discrepancies are so small that stable trends related to individual SER entries cannot be inferred from differences that do exist between types of schools.

3.6: AMERICAN COLLEGE TESTING PROGRAM CRITERIA STUDY: CASE FINDINGS

In addition to cases which were selected for validation activity according to the Pre-established Criteria, the American College Testing Program selected 1120 other cases for validation on the basis of a separate set of criteria which have been indicative of possible misreporting in the past. These criteria are described in Section 3.2. It is interesting to note that approximately two-thirds of the ACT criteria cases (67.8%) reported incomes of $1,500 or less (see Table 3.10). In comparison, 5.1 percent of the Pre-established Criteria cases fell into this same income category. The following discussion pertains to the mode of case resolution, confirmed discrepancies, and pattern of Student Eligibility Index change which resulted from validation activities undertaken for these cases selected according to the ACT criteria.

Mode of Case Resolution

Of the 1120 cases that were referred to the validation contractor, 1013 (90.4%) were closed as of the time of report preparation (June 30, 1978). A re-examination of Table 3.1 (see page 3.12) indicates that the predominant closure mode for ACT criteria cases was total non-response (24.1%), followed by a valid SER correction (19.2%). There are some striking contrasts between resolution modes for Pre-established Criteria and ACT criteria cases. Proportionately fewer ACT criteria cases were resolved due to the submission of valid SER corrections (19.2% vs. 44.3%), and proportionately more

were closed due to total non-response (24.1% vs. 19.2%).[1/] In addition, proportionately more ACT criteria cases were closed because the applicant submitted acceptable documentation (11.0% vs. 4.8%) and proportionately more of the ACT criteria cases were currently unresolved (9.6% vs. 3.3%). The same pattern of differences in closure modes between independent and dependent students that was evidenced for the Pre-established Criteria cases is also true for the ACT criteria cases.

Confirmed Discrepancies

Table 3.4 (see page 3.20) displays the actual discrepancies that were identified for the group of 285 ACT Criteria cases that were closed due to valid SER corrections (process and unprocessed). Of these 285 cases, 150 contained more than one confirmed discrepancy (52.6%), and these cases are represented in multiple rows in Table 3.4. The predominant types of discrepancies identified were in the areas of portions of adjusted gross income earned, non-taxable income, and total adjusted gross income (43.5%, 40.0%, and 34.7%, respectively). There are some striking differences in the proportion of cases in which certain types of discrepancies were confirmed between the cases selected according to ACT criteria as compared to ones selected according to the Pre-established Criteria. Proportionately far fewer ACT criteria cases involved taxes paid errors (20.7% vs. 79.7%), adjusted gross income errors (34.7% vs. 59.4%), and portions earned errors (43.5% vs. 68.3%). In addition, proportionately more ACT criteria cases had non-taxable income errors confirmed (40.0% vs. 22.7%). These major differences in types of error identified between these two types of cases are probably due to selection criteria which emphasize

---

[1/] This difference may be explained by the fact that ACT cases were initially contacted at a later time than Pre-established Criteria cases, and they may have already received their full 1977-78 award by the time they were required to respond. Therefore, on the average, the ACT Criteria cases may have had less incentive to respond to validation requests than Pre-established Criteria cases.

different areas of potential misreporting, the ACT criteria focused on low-income applicants, who are most likely to report non-taxable income.

Impact of Validation Process on Student Eligibility Index Change

The average absolute and effective mean SEI changes for each discrepancy which was confirmed is displayed in Table 3.20. This table is based on a total of 215 cases which were closed due to valid SER corrections and for which the corrections had been reprocessed by the time of report preparation. The corrections which were made to these 215 cases resulted in modest SEI increases - overall absolute and effective SEI changes of 189.9 and 85.2 points, respectively. These changes are far smaller than the absolute and effective changes of 453.1 and 269.3 points overall, respectively, for Pre-established Criteria cases. Since the ACT Criteria cases were primarily low income applicants, this comparative finding confirms findings of past studies which have suggested that non-taxable income corrections and other corrections made by low income applicants have a lesser impact on SEI changes than corrections made by higher income applicants. In turn, this trend suggests that the most cost-effective approach to validation is to focus more on higher income applicants than very low income groups.

The largest SEI increases were associated with corrections to unusual expenses and dependency status fields (absolute SEI increases of 1659.8 and 1123.2, respectively); however, so few cases were involved in changes to these fields (N = 6 and N = 5, respectively) that these findings cannot be considered stable. In terms of changes to fields that included a sufficiently large number of cases to consider a finding stable, the highest SEI increases were associated with corrections to taxes paid, adjusted gross income, non-taxable income, and portions earned fields (absolute SEI changes of 493.9, 336.6, 326.1 and 317.2, respectively). These same fields were associated with average or higher than average absolute SEI

TABLE 3.20

UNPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (ACT CRITERIA)

	TOTAL		LESS THAN 1.001		1.001-4.000		4.001-7.500		7.501-10.000		
--- ACTUAL DISCREPANCY ---	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	
TOTAL.....	215	215	157	157	12	12	19	19	16	16	SC
	100.0	100.0	73.0	73.0	5.6	5.6	8.8	8.8	7.4	7.4	AAC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	149.9	85.2	160.6	73.8	374.1	143.2	136.8	44.8	481.8	282.7	AA
ADJUSTED GROSS INCOME - 12.13.....	72	72	45	45	6	6	8	8	6	6	SC
	100.0	100.0	62.5	62.5	8.3	8.3	11.1	11.1	8.3	8.3	AAC
	33.5	33.5	28.7	28.7	50.0	50.0	42.1	42.1	37.5	37.5	CC
	330.6	154.5	313.3	150.1	703.3	241.7	41.1	41.1	815.5	362.8	AA
TAXES PAID - 16.17.18.....	48	48	13	15	3	3	10	10	10	10	SC
	100.0	100.0	31.3	31.3	6.3	6.3	20.8	20.8	20.8	20.8	AAC
	22.3	22.3	9.6	9.6	25.0	25.0	52.6	52.6	62.5	62.5	CC
	493.9	206.6	762.9	312.7	694.7	102.3	267.7	114.4	603.7	309.4	AA
DEPENDENCY STATUS - 02.....	5	5	5	5							SC
	100.0	100.0	100.0	100.0							AAC
	2.3	2.3	3.2	3.2							CC
	1163.2	436.4	1163.2	436.4							AA
ASSETS - 21.....	16	16	15	15			1	1			SC
	100.0	100.0	93.8	93.8			6.3	6.3			AAC
	7.4	7.4	9.6	9.6			5.3	5.3			CC
	22.6	22.6	24.1	24.1							AA
CITIZENSHIP - 01.....											
NON-TAXABLE INCOME - 08.09.10.11.....	80	80	60	60	9	9	5	5	5	5	SC
	100.0	100.0	75.0	75.0	11.3	11.3	6.3	6.3	6.3	6.3	AAC
	37.2	37.2	38.2	38.2	75.0	75.0	26.3	26.3	31.3	31.3	CC
	326.1	126.3	232.5	94.6	537.1	229.2	680.0	254.2	814.6	173.8	AA
PORTIONS EARNED - 14.15.....	93	93	56	56	6	6	14	14	10	10	SC
	100.0	100.0	60.2	60.2	6.5	6.5	15.1	15.1	10.8	10.8	AAC
	43.3	43.3	35.7	35.7	50.0	50.0	73.7	73.7	62.5	62.5	CC
	317.2	125.6	305.2	139.9	703.3	241.7	-29.1	-29.1	483.6	211.7	AA
POST HIGH ENROLLMENT - 05.06.07.....	17	17	12	12	1	1	1	1	3	3	SC
	100.0	100.0	70.6	70.6	5.9	5.9	5.9	5.9	17.6	17.6	AAC
	7.9	7.9	7.6	7.6	8.3	8.3	5.3	5.3	18.8	18.8	CC
	121.1	91.2	40.6	30.2					565.7	298.3	AA
HOUSEHOLD SIZE - 04.....	56	56	49	49			4	4	3	3	SC
	100.0	100.0	87.5	87.5			7.1	7.1	5.4	5.4	AAC
	26.0	26.0	31.2	31.2			21.1	21.1	18.8	18.8	CC
	187.2	61.2	98.8	55.8			-162.3	-162.3	616.3	447.0	AA

BEST COPY AVAILABLE

TABLE 3.20

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (ACT CRITERIA) - CONT.

*** INCOME LEVELS ***

--- ACTUAL DISCREPANCY ---	TOTAL		10,001-12,000		12,001-15,000		GREATER THAN 15,000		
	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	ABSOLUTE	EFFECTIVE	
TOTAL.....	215	215	7	7	2	2	2	2	SC
	100.0	100.0	3.3	3.3	0.9	0.9	0.9	0.9	HC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	109.9	88.2	65.3	65.3	100.5	100.5	197.0	50.5	MN
ADJUSTED GROSS INCOME - 12,13.....	72	72	4	4	2	2	1	1	SC
	100.0	100.0	5.6	5.6	2.8	2.8	1.4	1.4	HC
	33.5	33.5	57.1	57.1	100.0	100.0	50.0	50.0	CC
	330.6	154.9	47.8	27.8	100.5	100.5	365.0	92.0	MN
TAXES PAID - 16,17,18.....	48	48	6	6	2	2	2	2	SC
	100.0	100.0	12.5	12.5	4.2	4.2	4.2	4.2	HC
	22.3	22.3	85.7	85.7	100.0	100.0	100.0	100.0	CC
	493.9	206.8	81.8	81.8	100.5	100.5	197.0	50.5	MN
DEPENDENCY STATUS - 02.....	5	5							SC
	100.0	100.0							HC
	2.3	2.3							CC
	1162.2	436.4							MN
ASSETS - 21.....	16	16							SC
	100.0	100.0							HC
	7.4	7.4							CC
	22.6	22.6							MN
CITIZENSHIP - 01.....									
NON-TAXABLE INCOME - 08,09,10,11.....	60	60	1	1					SC
	100.0	100.0	1.3	1.3					HC
	37.2	37.2	14.3	14.3					CC
	329.1	128.3	226.0	226.0					MN
PORTIONS EARNED - 14,15.....	93	93	4	4	2	2	1	1	SC
	100.0	100.0	4.3	4.3	2.2	2.2	1.1	1.1	HC
	43.3	43.3	57.1	57.1	100.0	100.0	50.0	50.0	CC
	317.2	125.6	86.5	86.5	59.0	59.0	365.0	92.0	MN
POST HIGH ENROLLMENT - 05,06,07.....	17	17							SC
	100.0	100.0							HC
	7.9	7.9							CC
	121.1	91.2							MN
HOUSEHOLD SIZE - 04.....	50	50							SC
	100.0	100.0							HC
	20.8	20.8							CC
	107.2	61.2							MN

BEST COPY AVAILABLE

TABLE 3.20

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SSI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (ACT CRITERIA)

*** INCOME LEVELS ***

--- ACTUAL DISCREPANCY ---	TOTAL ABSOLUTE	TOTAL EFFECTIVE	LESS THAN 1,501 ABSOLUTE	LESS THAN 1,501 EFFECTIVE	1,501-4,000 ABSOLUTE	1,501-4,000 EFFECTIVE	4,001-7,500 ABSOLUTE	4,001-7,500 EFFECTIVE	7,501-10,000 ABSOLUTE	7,501-10,000 EFFECTIVE
VETERAN'S BENEFITS - 23.....	1	1	1	1						
	100.0	100.0	100.0	100.0						
	0.5	0.5	0.6	0.6						
UNUSUAL EXPENSES - 19,20.....	6	6	3	3			1	1	1	1
	100.0	100.0	50.0	50.0			16.7	16.7	16.7	16.7
	2.6	2.6	1.9	1.9			5.3	5.3	6.3	6.3
	1059.8	693.6	2537.7	866.0			273.8	273.8	1706.8	1280.8
APPLICANT SAVINGS - 22.....	1	1	1	1						
	100.0	100.0	100.0	100.0						
	0.5	0.5	0.6	0.6						
	-276.0	-276.0	-276.0	-276.0						
PRIOR ENROLLMENT - 29.....										
OTHER - 25,03,26,30.....	18	18	9	9	1	1	4	4	4	4
	100.0	100.0	50.0	50.0	5.6	5.6	22.2	22.2	11.1	11.1
	8.4	8.4	5.7	5.7	8.3	8.3	21.1	21.1	14.5	14.5
	398.8	179.3	571.0	188.3	49.0	49.0	68.3	68.3	777.5	342.9
NONE - 27.....										
UNKNOWN - 28.....										
MULTIPLE -										

NOTE: TOTAL ROW(S) REPRESENT CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 3.20

DUPLICATED COUNT OF ABSOLUTE AND EFFECTIVE MEAN SCI CHANGES BY INCOME LEVEL FOR EACH ACTUAL DISCREPANCY TYPE (AGE CRITERIA) - CONT.

	TOTAL		10,001-12,000		12,001-15,000		GREATER THAN 15,000		
--- ACTUAL DISCREPANCY ---	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	ABSO-LUTE	EFFEC-TIVE	
VETERAN'S BENEFITS - 23.....	1	1							SC
	100.0	100.0							MC
	0.5	0.5							CC
									MM
UNUSUAL EXPENSES - 27,28.....	0	0					1	1	SC
	100.0	100.0					10.7	10.7	MC
	2.0	2.0					50.0	50.0	CC
	1037.0	693.0					363.0	92.0	MM
APPLICANT SAVINGS - 22.....	1	1							SC
	100.0	100.0							MC
	0.5	0.5							CC
	-270.0	-270.0							MM
PRIOR ENROLLMENT - 29.....									
OTHER - 25,03,28,30.....	10	10			1	1	1	1	SC
	100.0	100.0			5.6	5.6	5.6	5.6	MC
	0.4	0.4			50.0	50.0	50.0	50.0	CC
	298.0	179.2			156.0	120.0	9.0	9.0	MM
NONE - 27.....									
UNKNOWN - 20.....									
MULTIPLE -									

NOTES: TOTAL NUMBER REPRESENT CASES (SEQUENCES) CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

increases for Pre-established Criteria cases as well. Comparisons of SEI change associated with confirmed discrepancies by income level are invalid due to the small number of cases represented within each different income category.

It is clear that the ACT criteria and/or the associated validation process[1/] were not as successful for purposes of selecting error-prone cases and obtaining large corrections as the Pre-established Criteria. To summarize, proportionately fewer ACT criteria cases were closed due to valid SER corrections and proportionately more were total non-respondents. Proportionately fewer actual discrepancies were identified in ACT criteria cases within most of the critical SER data elements. Finally, the average absolute and effective SEI changes which resulted from corrected SERs were far lower for ACT criteria cases than for cases selected according to the Pre-established Criteria.

3.7: CHAPTER SUMMARY

For this validation study, 8,006 applicants were selected according to criteria which, based on the results of 1976-77 validation activities, were believed to be indicators of error-prone cases. An additional 1,120 cases were selected according to a separate set of criteria designed by the American College Testing Program which pertained to other potential sources/types of error not encompassed by the Pre-established Criteria. Both sets of criteria focused on items on the Basic Grant application and processing actions (e.g., corrections) that are critical determinants of a student's eligibility to receive a Basic Grant award.

Of the 8,006 applications selected according to the Pre-established Criteria, 7,743 (96.7%) were resolved at the time this report was prepared. Follow-up activities for the 263 unresolved cases will continue during the 1978-79 validation period. Of the 7,743 resolved

---

[1/] In particular, the late date at which initial contacts with selected cases were made.

cases, resolution was obtained in one of eight manners. Almost half, 3,783 cases, were resolved due to valid SER corrections, while only 381 students provided documentation which supported their original SER. Analysis of data pertaining to this set of cases resulted in the following observations.

- The 1977-78 Validation Study exhibited a higher rate of valid SER corrections than the 1976-77 study (47.3% vs. 20.2%). Although, on the surface, the 1977-78 study also had a higher non-response rate (36.2% vs. 21.4%), far fewer of the 1977-78 cases were unresolved at the end of the validation period than was true for 1976-77 cases (3.3% vs. 45.4%). Since most of the unresolved 1976-77 cases were eventually closed for non-response, the total non-response rate for the 1977-78 study was actually much lower than for the 1976-77 effort. Furthermore, the rate at which SERs were documented decreased slightly between 1976-77 and 1977-78 (6.3% and 4.8%, respectively). It appears that significant improvements have been made to the validation procedures and/or the Pre-established Criteria over the two-year period, especially in light of the identification of a higher proportion of "error-prone" cases in 1977-78 than 1976-77.

- Dependent students were more likely to submit valid SER corrections and less likely to be total non-respondents than independent students. This trend is constant across validation periods.

- Higher income students were more likely to submit valid (and processed) SER corrections and less likely to submit an unacceptable response or have their cases unresolved.

- As in the 1976-77 Pre-established Criteria Study, underclass applicants (first and second year students) were less likely to submit valid SER corrections than upperclass students.

- Almost half of the Pre-established Criteria applicants (48.8%) had one or more confirmed discrepancies (errors) on their SERs. Of this group of applicants, taxes paid errors were most prevalent, occurring in 79.7 percent of the cases, followed by portions earned and total adjusted gross income errors (68.3% and 59.4%, respectively). Taxes paid and adjusted gross income

errors were also the most prevalent errors in the 1976-77 study, occurring in 76.7 and 54.2 percent of the cases, respectively. Errors in portions earned were not differentiated from adjusted gross income errors in the 1976-77 study. Otherwise, the error rates associated with each SER entry within the group of applicants for whom discrepancies were identified are very similar across the two year period.

- In terms of the distribution of discrepancy types by dependency status, in almost all instances dependent students exhibited a higher rate of error for an SER item than independent students. This represents a reversal from the trend evidenced in the 1976-77 study.

- No variation in the distribution of confirmed SER errors was associated with applicants' year in school.

- The rate at which adjusted gross income, portions earned, and taxes paid errors occurred were higher for higher income groups, and lower income groups had a higher error rate for the non-taxable income entry. A similar trend was apparent among the 1976-77 applicants as well for the adjusted gross income and non-taxable income error rates. This finding suggests that higher error rates tend to be associated with groups that would be expected to report higher absolute values for the entry in question.

- Of the 3,543 SERs which had been corrected and reprocessed in time for inclusion in this report, slightly more than seventy percent resulted in increased Student Eligibility Indices as compared to the original SEIs. The average absolute and effective SEI changes which resulted from SER corrections were 453.1 and 269.3 points, respectively, which represent substantial average decreases in award levels. The SEI increases obtained as a result of the 1977-78 study were substantially higher than the changes associated with last year's validation effort (294.0 and 189.9 points, respectively).

- The largest SEI increases which were related to corrections to individual SER fields were associated with corrected post high enrollment and unusual expenses (absolute SEI increases of 665.5 and 649.0, respectively), followed by portions earned and adjusted gross income (637.3 and 619.0 points, respectively).

- In spite of the fact that higher income applicants demonstrated higher error rates for adjusted gross income, portions earned and taxes paid entries, their corrections to these fields did not result in larger-than-average increases in their SEIs. In addition, although lower income applicants had a higher non-taxable income error rate, their corrections to non-taxable income entries did not result in larger-than-average increases in their SEIs. It is apparent that a high frequency of error in a given SER field for a certain subgroup of applicants does not necessarily indicate that this same subgroup made the most extensive errors in that field.

- The absolute values of adjusted gross income and non-taxable income entries increased considerably as a result of corrections to these fields (an average of $2,349.80 and $1.254.80, respectively). Large average decreases were also evidenced in the household size and post high figures, although these average decreases were not as large as the ones obtained through the 1976-77 validation effort. It appears that student confusion over these "offset" fields has lessened over the two year period.

- No clear-cut associations were evidenced between the size of the institution at which applicants were enrolled and mode of case resolution or types of SER discrepancies identified, or the extent of SEI change associated with the corrections.

- Students who attended public or private non-profit schools were more likely to submit valid SER corrections than students at proprietary institutions or schools of unknown control, and were less likely to be closed for total non-response or failure to respond to an additional request. Furthermore, students at proprietary institutions had much larger SEI changes resulting from corrections than students at other types of institutions (an average effective change of 381.7 compared to the overall average of 269.3 points).

- The American College Testing Program Criteria were not as successful for purposes of obtaining large SER corrections (either in terms of magnitude of the corrections to individual data elements or resulting SEI change) as the Pre-established Criteria.

4

ANALYSIS OF INDIVIDUAL VALIDATION PROCEDURES

4.1: INTRODUCTION

The procedures which were implemented in the Institution Referral, OE/ACT Referral and Pre-established Criteria studies were the results of experiences and observations in the past validation studies. Procedural letters as well as follow-up schedules were almost identical to the procedures implemented in the 1976-77 Validation Study; i.e., a comprehensive set of form letters addressing all SER items in question and specifying the necessary steps required to validate these items were sent to applicants. These mailings were monitored and all study participants were placed on follow-up schedules which provided each student with a minimum number of opportunities to comply with the validation requests. Modifications to these procedures and letters were made prior to the actual conduct of the validation in an effort to enhance the student's understanding of the validation requirements as well as to structure the validation process so that each individual was treated on an equitable basis. One of the changes made in the procedural letters was that additional instructional materials were sent along with the initial letter and at least one follow-up letter. For Institution Referral cases, an instruction sheet specifying the nature of the discrepancy and the exact documents required was attached to a form letter stating the general requirements for validation. Also, to assist student's who failed to respond to the first letter, a photocopy of the initial letter was mailed along

with the first follow-up. For Pre-established Criteria cases, there were several innovations which accompanied the letters. Along with the first letter notifying students of their selection for validation, a worksheet with definitions and work areas for recording information was enclosed. Students were informed that they may use the worksheet, to assist them in compiling the necessary data but were not required to send it. This worksheet was also enclosed with the final follow-up letter. General observations of the usage of the worksheet indicated that it was used quite frequently and was beneficial to students and parents, and simplified the task of reviewing the student/parent response.

The purpose of this chapter is to review the results of these validation procedures to determine the extent to which they were successful and to also uncover any areas which may require improvements or modifications. This review consists of examining the transactions which occurred in the studies with all individuals who participated in the validation. Transactions are defined as any type of communication between students (or their parents) and all Basic Grant offices such as the Office of Education, institutions, the validation contractor, and the BEOG processor. The following section, 4.2, presents a discussion of the methodology used to conduct this procedural review. Sections 4.3 and 4.4 each present individual reviews and findings related to the Institution Referral and Pre-established Criteria procedures.

4.2: PROCEDURAL REVIEW METHODOLOGY

The methodological approach to this review of the validation procedures consisted of presenting frequency distributions of the various types of transactions utilized in the studies. The specific issues addressed in these distributions are the following:

- the volumes of transactions
- the relationship of types of transactions with referral reasons
- relationships of types of transactions with actual discrepancies uncovered after completion of validation

- whether responses from study participants vary as a function of the referral reason and the time of response
- the relationships between transactions conducted by the contractor, students/parents and other participants

Independent Variables

To examine these issues in depth, a series of tables have been designed to examine validation transactions through the use of two basic independent variables for each validation study. For the Institution OE/ACT Referral Study the two variables are referral reasons and actual discrepancies. Referral reasons are categorized into the same specific areas of suspected error identified in Section 2.2. The second independent variable, actual discrepancies, contains slightly different items than the reasons for referral, and the variable is categorized in the manner described in Section 2.2

In the Pre-established Criteria Study, the same independent variable of actual discrepancies specified in Section 2.2 were also used. In addition, the mode of case resolution was considered as an independent variable, specifying the same categories of case resolutions as used in the analysis of study findings, which included the following:

- valid SER correction
- acceptable verifying documentation
- OE resolution
- unable to contact applicant or parent
- total non-response
- non-response to an additional request
- unacceptable response after additional request
- non-use of Basic Grant
- resolved with SER corrections not yet processed
- unresolved

Dependent Variables

The tables in this chapter examine one dependent variable, namely the type of transactions which occurred. Transactions were

generally the same for the Institution and OE/ACT referrals and the Pre-established Criteria study cases. Therefore, a common listing of transactions is presented specifying those which are pertinent to only one study. The following transactions were recorded:

- initial request for data
- first follow-up after initial request
- second follow-up to initial request
- request for additional data prior to student's first response
- request for additional data after case closure
- follow-up to an additional request
- acknowledgement of valid documentation (no SER corrections necessary)
- acknowledgement of valid SER correction(s) (accompanied by verifying documents)
- acknowledgement of corrections on an unsigned SER (accompanied by verifying documents)
- letter to institution to expect new SEI (for those students who received the acknowledgement of unsigned corrected SER)
- acknowledgement of non-use of grant
- acknowledgement of OE resolution
- SER corrections too late for processing at BEOG Processing Office - INSTITUTION REFERRALS ONLY
- letter in which contractor makes SER corrections on unsigned SER (according to verifying documents) and returns SER for signature)
- letter requesting additional documents
- letter requesting clarification of unclear items
- letter requesting clarification of low income or suspected assets not reported
- multiple requests for clarification
- request to sign corrected SER
- request applicant/parent call validation office to explain previous response
- special customized letter
- notification of award suspension due to non-response
- notification of award suspension due to receipt of unacceptable response

- case closure due to failure to contact student/parent
- acknowledgement of acceptable verifying documentation after award suspension
- acknowledgement of corrected SER after award suspension
- acknowledgement of OE resolution after award suspension
- acknowledgement of non-use of Basic Grant after award suspension
- letter requesting proof of citizenship
- letter requesting student/parent clarify questionable dependency status
- letter requesting student change dependency status
- letter requesting change in prior enrollment status
- second instruction to correct response
- time extension
- returned-to-sender letter re-mailed
- clarification (telephone call), prior to written response
- clarification (telephone call), not elsewhere classified
- telephone call received in response to letter requesting that applicant call validation office
- duplicate SER sent to student
- completed telephone call made to student/parent
- telephone call made to student/parent - not completed
- incoming mail during processing
- incoming mail after case closure
- communication with third party

Several tables presented also utilize the same dependent variable of transaction types; however, the transactions are collapsed into the following categories:

- letters initiated by validation contractor
- letters initiated by applicant/parent
- telephone calls initiated by validation contractor
- telephone calls initiated by applicant/parent

4.3: INSTITUTION REFERRAL STUDY RESULTS

The data presented in this section represents the transactions taken on all cases referred by participating institutions and by

OE and its contractors. The transactions studied in this section include all written requests for data, the acknowledgements of acceptable and unacceptable responses, telephone calls, and incoming mail.

Frequency of Transactions

Table 4.1 exhibits the frequency of all types of transactions with students and parents by the reason for referral. This table was created to identify the most frequent transactions and whether specific types of discrepancies initially reported by institutions require a significantly higher number of transactions when compared to other referred discrepancies. The most frequent transactions among all types of transactions were the following types taken by the contractor: initial requests (22.9%), first reminders (11.4%) and additional written requests (10.1%). Of the 3,918 total transactions, 1,243 (31.7%) were transactions consisting of written responses and telephone calls from students or parents attempting to comply with the validation requests. An interesting finding shown in this frequency count is that 4.7 percent of all transactions consisted of re-mailing letters to study participants which had been returned to the contractor's office either because the addressee had moved or had failed to pick up the letter. It is usually thought that cases referred by institutions contain the most recent addresses for students since the financial aid officers are required to contact students prior to referring the case to OE for follow-up. However, this finding seems to indicate that institutionally referred cases do not always contain current addresses.

Of the 3,918 total transactions taken on cases referred by institutions the highest proportion of transactions occurred in cases referred with suspected discrepancies in adjusted gross income (35.9%), followed by dependency status discrepancies (21.4%) and reported errors in nontaxable income or low income (14.5% and 13.8%, respectively). This rate corresponds to the findings presented earlier in this report in Section 2.4.2 indicating that adjusted gross income and dependency status discrepancies comprised more than

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

*** TRANSACTIONS ***	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
TOTAL	3,918	1,408	331	567	541	839	202	63	188	170	SU
	100.0	35.9	8.4	14.5	13.8	21.4	5.2	1.6	2.8	4.3	RR
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CU
	100.0	35.9	8.4	14.5	13.8	21.4	5.2	1.6	2.8	4.3	RU
	4.2	4.2	4.8	3.8	4.8	4.2	4.7	3.3	5.1	3.7	RR
INITIAL REQUEST FOR DATA	899	327	67	145	112	196	42	18	21	45	SU
	100.0	36.4	7.5	16.1	14.3	21.8	4.7	2.8	2.3	5.0	RU
	22.9	23.2	20.2	25.6	20.7	23.4	20.8	28.6	19.4	26.5	CU
	22.9	8.3	1.7	3.7	2.9	5.0	1.1	0.5	0.5	1.1	RU
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RR
FIRST FOLLOW-UP TO INITIAL REQUEST	445	154	34	56	70	111	17	11	12	21	SU
	100.0	34.6	7.6	12.6	15.7	24.9	3.8	2.5	2.7	4.7	RU
	11.4	10.9	10.3	9.9	12.9	13.2	8.4	17.5	11.1	12.4	CU
	11.4	3.9	0.9	1.4	1.8	2.8	0.4	0.3	0.3	0.5	RU
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RR
SECOND FOLLOW-UP TO INITIAL REQUEST	242	73	17	32	46	57	10	6	8	11	SU
	100.0	30.2	7.0	13.2	19.0	23.6	4.1	2.5	3.3	4.5	RU
	6.2	5.2	5.1	5.6	8.5	6.8	5.0	9.5	7.4	6.5	CU
	6.2	1.9	0.4	0.8	1.2	1.5	0.3	0.2	0.2	0.3	RU
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RR
REQUEST FOR ADDITIONAL DATA	10	2		1	3	2	1				SU
	100.0	20.0		10.0	30.0	20.0	10.0				RU
	0.3	0.1		0.2	0.6	0.2	0.5				CU
	0.3	0.1			0.1	0.1					RU
	1.0	1.0		1.0	1.0	1.0	1.0				RR
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE	9	3	1	1	4	1					SU
	100.0	33.3	11.1	11.1	44.4	11.1					RU
	0.2	0.2	0.3	0.2	0.7	0.1					CU
	0.2	0.1			0.1						RU
	1.0	1.0	1.0	1.0	1.0	1.0					RR
FOLLOW-UP TO AN ADDITIONAL REQUEST	35	12	3	4	8	6	3			1	SU
	100.0	34.3	8.6	11.4	22.9	17.1	8.6			2.9	RU
	0.9	0.9	0.9	0.7	1.5	0.7	1.5			0.6	CU
	0.9	0.3	0.1	0.1	0.2	0.2	0.1				RU
	1.0	1.0	1.0	1.0	1.0	1.0	1.0			1.0	RR
ACKNOWLEDGEMENT OF EARLY DOCUMENTATION AND CORRECTIONS NECESSARY	21	8	1	2	1	5	1	1	1	1	SU
	100.0	38.1	4.8	9.5	4.8	23.8	4.8	4.8	4.8	4.8	RU
	0.5	0.6	0.3	0.4	0.2	0.6	0.5	1.6	0.9	0.6	CU
	0.5	0.2		0.1		0.1					RU

07/27/70 -42- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.1

BEST COPY AVAILABLE

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	AM SIZE AND PME	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
TOTAL.....	3,918	60	68	123	9	55	88	9	213	SV
	100.0	1.5	1.7	3.1	0.2	1.4	2.2	0.2	5.4	RV
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CV
	100.0	1.5	1.7	3.1	0.2	1.4	2.2	0.2	5.4	MV
	4.2	4.6	2.5	6.5	3.0	5.5	3.8	9.0	4.5	MN
INITIAL REQUEST FOR DATA.....	899	13	19	19	3	9	23	1	45	SV
	100.0	1.4	2.1	2.1	0.3	1.0	2.6	0.1	5.0	RV
	22.9	21.7	27.9	15.4	33.3	16.4	26.1	11.1	21.1	CV
	22.9	0.3	0.5	0.5	0.1	0.2	0.6		1.1	MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	MN
FIRST FOLLOW-UP TO INITIAL REQUEST.....	445	5	11	12		3	11		19	SV
	100.0	1.1	2.5	2.7		0.7	2.5		4.3	RV
	11.4	8.3	16.2	9.8		5.5	12.5		8.9	CV
	11.4	0.1	0.3	0.3		0.1	0.3		0.5	MV
	1.0	1.0	1.0	1.0		1.0	1.0		1.0	MN
SECOND FOLLOW-UP TO INITITAL REQUEST.....	242	4	5	6		1	8		11	SV
	100.0	1.7	2.1	2.5		0.4	3.3		4.5	RV
			7.4	4.9		1.8	9.1		5.2	CV
			0.1	0.2			0.2		0.3	MV
		.0	1.0	1.0		1.0	1.0		1.0	MN
REQUEST FOR ADDITIONAL DATA...	10	1				1			1	SV
	100.0	10.0				10.0			10.0	RV
	0.3	1.7				1.8			0.5	CV
	0.3									MV
	1.0	1.0				1.0			1.0	MN
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE.....	9									SV
	100.0									RV
	0.2									CV
	0.2									MV
	1.0									MN
FOLLOW-UP TO AN ADDITIONAL REQUEST.....	35			1			1		1	SV
	100.0			2.9			2.9		2.9	RV
	0.9			0.8			1.1		0.5	CV
	0.9									MV
	1.0			1.0			1.0		1.0	MN
ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY)....	21			2					2	SV
	100.0			0.5					0.5	RV
	0.5			1.6					0.9	CV
	0.5			0.1					0.1	MV

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS)
*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	MN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE.....	77	38	3	14	7	12	2	1	2	5	SV
	100.0	49.4	3.9	18.2	9.1	15.6	2.6	1.3	2.6	6.5	RV
	2.0	2.7	0.9	2.5	1.4	1.4	1.0	1.6	1.9	2.9	CV
	2.0	1.0	0.1	0.4	0.2	0.3	0.1		0.1	0.1	MV
	1.0	1.0	1.0	1.0	1.2	1.0	1.0	1.0	1.0	1.0	MN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE.....	44	26	5	6	4	7	2		2	2	SV
	100.0	56.5	10.9	13.0	6.5	15.2	4.3		4.3	4.3	RV
	1.2	1.8	1.6	1.1	0.6	0.8	1.0		1.9	1.2	CV
	1.2	0.7	0.1	0.2	0.1	0.2	0.1		0.1	0.1	MV
	1.0	1.0	1.0	1.2	1.0	1.0	1.0		1.0	1.0	MN
SEND SER TO IOWA! SEND LETTER TO INSTITUTION TO EXPECT NEW SE!.....											
ACKNOWLEDGEMENT OF NON-USE OF GRANT.....	10	1		2		5	1				SV
	100.0	10.0		20.0		50.0	10.0				RV
	0.3	0.1		0.4		0.6	0.5				CV
	0.3			0.1		0.1					MV
	1.0	1.0		1.0		1.0	1.0				MN
ACKNOWLEDGEMENT OF DE RESOLUTION.....	2	1				1					SV
	100.0	50.0				50.0					RV
	0.1	0.1				0.1					CV
	0.1										MV
	1.0	1.0				1.0					MN
CORRECTIONS TOO LATE FOR IOWA (IR ONLY).....	26	10	2	6	1	4	1	1		1	SV
	100.0	38.5	7.7	23.1	3.8	15.4	3.8	3.8		3.8	RV
	0.7	0.7	0.6	1.1	0.2	0.5	0.5	1.6		0.6	CV
	0.7	0.3	0.1	0.2		0.1					MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0	MN
CONTRACTOR MAKES CORRECTIONS - SEN NEEDS SIGNATURE.....	40	19	4	5	4	7	1			1	SV
	100.0	47.5	10.0	12.5	10.0	17.5	2.5			2.5	RV
	1.0	1.3	1.0	0.9	0.7	0.8	0.5			0.6	CV
	1.0	0.5	0.2	0.1	0.1	0.2					MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0			1.0	MN

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	MH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PHIOR ENROLL-MENT	MULT DIS-CHEP	UN-KNOWN	IDENT-IFICA-TION	NEC	
	1.0			1.0					1.0	MN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CONNECTIONS MADE.....	77	2		1			1		2	SV
	100.0	2.6		1.3			1.3		2.6	RV
	2.0	3.3		0.8			1.1		0.9	CV
	2.0	0.1							0.1	MV
	1.0	1.0		1.0			1.0		1.0	MN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CONNECTIONS MADE.....	46	1	1	1					4	SV
	100.0	2.2	2.2	2.2					8.7	RV
	1.2	1.7	1.5	0.8					1.9	CV
	1.2								0.1	MV
	1.0	1.0	1.0	1.0					1.0	MN
SEND SER TO IOWA1 SEND LETTER TO INSTITUTION TO EXPECT NEW SEI.....										
ACKNOWLEDGEMENT OF NON-USE OF GRANT.....	10								1	SV
	100.0								10.0	RV
	0.3								0.5	CV
	0.3									MV
	1.0								1.0	MN
ACKNOWLEDGEMENT OF OE RESOLUTION.....	2									SV
	100.0									RV
	0.1									CV
	0.1									MV
	1.0									MN
CORRECTIONS TOO LATE FOR IOWA (IR ONLY).....	26		8			1			2	SV
	100.0		30.8			3.8			7.7	RV
	0.7		11.8			1.8			0.9	CV
	0.7		0.2						0.1	MV
	1.0		1.0			1.0			1.0	MN
CONTRACTOR MAKES CONNECTIONS - SER NEEDS SIGNATURE.....	40	1		1			2		2	SV
	100.0	2.5		2.5			5.0		5.0	RV
	1.0	1.7		0.8			2.3		0.9	CV
	1.0						0.1		0.1	MV
	1.0	1.0		1.0			1.0		1.0	MN

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS)

		*** REFERRAL REASONS ***									
*** TRANSACTIONS ***	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
REQUESTING ADDITIONAL DOCUMENTS	119	44	15	13	17	29	11		4	4	SV
	100.0	37.0	12.6	10.9	14.3	24.4	9.2		3.4	3.4	RV
	3.0	3.1	4.5	2.3	2.8	3.5	3.4		3.7	2.4	CV
	3.0	1.1	0.4	0.3	0.4	0.7	0.3		0.1	0.1	MV
	1.0	1.0	1.1	1.0	1.0	1.0	1.2		1.0	1.0	MM
REQUESTING CLARIFICATION AND SPECIAL ACTION	42	13	4	11	10	2	2		2	2	SV
	100.0	31.0	9.5	26.2	23.8	4.8	4.8		4.8	4.8	RV
	1.1	0.9	1.2	1.9	1.6	0.2	1.0		1.9	1.2	CV
	1.1	0.3	0.1	0.3	0.3	0.1	0.1		0.1	0.1	MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
REQUESTING CLARIFICATION OF INCOME OR ASSETS	23	7	1	2	6	7	2			1	SV
	100.0	30.4	4.3	8.7	26.1	30.4	8.7			4.3	RV
	0.6	0.5	0.3	0.4	1.1	0.8	1.0			0.6	CV
	0.6	0.2		0.1	0.2	0.2	0.1				MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0			1.0	MM
MULTIPLE REQUESTS FOR CLARIFICATION	65	25	9	12	7	12	5		3	5	SV
	100.0	38.5	13.8	18.5	10.8	18.5	7.7		4.6	7.7	RV
	1.7	1.8	2.7	2.1	1.3	1.4	2.5		2.8	2.9	CV
	1.7	0.6	0.2	0.3	0.2	0.3	0.1		0.1	0.1	MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
REQUESTING SIGNATURE ON SER...	25	9		4		5	4			2	SV
	100.0	36.0		16.0		20.0	16.0			8.0	RV
	0.6	0.6		0.7		0.6	2.0			1.2	CV
	0.6	0.2		0.1		0.1	0.1			0.1	MV
	1.0	1.0		1.0		1.0	1.0			1.0	MM
CALL-US LETTER	15	6		1	2	4				2	SV
	100.0	40.0		6.7	13.3	26.7				13.3	RV
	0.4	0.4		0.2	0.4	0.5				1.2	CV
	0.4	0.2			0.1	0.1				0.1	MV
	1.0	1.0		1.0	1.0	1.0				1.0	MM
COMPLETELY CUSTOMIZED LETTER	11	4		1	2	2				1	SV
	100.0	36.4		9.1	18.2	18.2				9.1	RV
	0.3	0.3		0.2	0.4	0.2				0.6	CV
	0.3	0.1			0.1	0.1					MV
	1.0	1.0		1.0	1.0	1.0				1.0	MM
AWARD SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL REQUEST	165	51	21	19	41	38	8	3	3	7	SV
	100.0	30.9	12.7	11.5	24.8	18.2	4.8	1.8	1.8	4.2	RV

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PHIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	REC	
REQUESTING ADDITIONAL DOCUMENTS.....	119	2	2	5		3	2	1	8	SV
	100.0	1.7	1.7	4.2		2.5	1.7	0.8	6.7	RV
	3.0	3.3	2.9	4.1		5.5	2.3	11.1	3.8	CV
	3.0	0.1	0.1	0.1		0.1	0.1		0.2	MV
	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	MN
REQUESTING CLARIFICATION AND SPECIAL ACTION.....	42	2		3			1		2	SV
	100.0	4.8		7.1			2.4		4.8	RV
	1.1	3.3		2.4			1.1		0.9	CV
	1.1	0.1		0.1					0.1	MV
	1.0	1.0		1.0			1.0		1.0	MN
REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	23								2	SV
	100.0								8.7	RV
	0.6								0.9	CV
	0.6								0.1	MV
	1.0								1.0	MN
MULTIPLE REQUESTS FOR CLARIFICATION.....	65	1	1	4		1	1		5	SV
	100.0	1.5	1.5	6.2		1.5	1.5		7.7	RV
	1.7	1.7	1.5	3.3		1.8	1.1		2.3	CV
	1.7			0.1					0.1	MV
	1.0	1.0	1.0	1.0		1.0	1.0		1.0	MN
REQUESTING SIGNATURE ON SER...	25				1				1	SV
	100.0				4.0				4.0	RV
	0.6				11.1				0.5	CV
	0.0									MV
	1.0				1.0				1.0	MN
CALL-US LETTER.....	15								1	SV
	100.0								6.7	RV
	0.4								0.5	CV
	0.4									MV
	1.0								1.0	MN
COMPLETELY CUSTOMIZED LETTER.....	11					1			1	SV
	100.0					9.1			9.1	RV
	0.3					1.8			0.5	CV
	0.3									MV
	1.0					1.0			1.0	MN
AWARD SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL REQUEST.....	165	2	2	6		2	4	1	9	SV
	100.0	1.2	1.8	3.6		1.2	2.4	0.6	5.5	RV

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	4.2	3.6	6.3	3.4	7.6	3.6	4.8	4.8	2.8	4.1	CV
	4.2	1.3	0.5	0.5	1.8	0.8	0.2	0.1	0.1	0.2	AV
	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	AM
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	22	10	5	2	4	6				1	SV
	100.8	45.5	22.7	9.1	18.2	27.3				4.5	RV
	0.6	0.7	1.5	0.4	0.7	0.7				0.6	CV
	0.4	0.3	0.1	0.1	0.1	0.2					AV
	1.8	1.8	1.8	1.8	1.8	1.8				1.8	AM
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT.....											
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....											
ACKNOWLEDGEMENT OF CONNECTED SER AFTER SUSPENSION.....											
ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION...											
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION.....											
REQUESTING PROOF OF CITIZENSHIP.....											
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	10	2	1	1	4	6					SV
	100.8	20.8	10.8	10.8	30.8	60.8					RV
	0.3	0.2	0.3	0.2	0.6	0.7					CV
	0.3	0.1			0.1	0.2					AV
	1.8	1.8	1.8	1.8	1.8	1.8					AM
REQUESTING CHANGE OF DEPENDENCY STATUS.....	9	1				9					SV
	100.8	11.1				100.8					RV
	0.2	0.1				1.1					CV
	0.2					0.2					AV
	1.8	1.8				1.8					AM
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....											
SECOND INSTRUCTION TO CORRECT RESPONSE.....	34	16	4	5	5	3	3			1	SV
	100.8	47.1	11.8	14.7	14.7	8.8	8.8			2.9	RV

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ALTERNATE REASONS (INSTITUTION AND OE REFERRALS) - CONT.
*** ALTERNATE REASONS ***

--- TRANSACTIONS ---	TOTAL	MM SSIL AND PHE	VETS BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CHRG	UN-KNOWN	IDENT-IFICA-TION	MISC	
	4.2	3.3	4.6	4.9		3.6	4.5	11.1	4.2	CV
	4.2	0.1	0.1	0.2		0.1	0.1		0.2	RV
	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	MM
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	22		1	2		2			1	SV
	100.0		4.6	9.1		9.1			4.5	RV
	0.6		1.9	1.6		3.6			0.5	CV
	0.6			0.1		0.1				RV
	1.0		1.0	1.0		1.0			1.0	MM
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT.....										
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....										
ACKNOWLEDGEMENT OF CORRECTED SAR AFTER SUSPENSION.....										
ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION...										
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION.....										
REQUESTING PROOF OF CITIZENSHIP.....										
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	10								1	SV
	100.0								10.0	RV
	0.3								0.5	CV
	0.3									RV
	1.0								1.0	MM
REQUESTING CHANGE OF DEPENDENCY STATUS.....	9									SV
	100.0									RV
	0.2									CV
	0.2									RV
	1.0									MM
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....										
SECOND INSTRUCTION TO CORRECT RESPONSE.....	24	2	1		2		1	1		SV
	100.0	8.9	2.9		5.9		4.9	2.9		RV

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT//PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	PUBS HIGH ENROLL	HOUSEHOLD SIZE	
	0.9	1.1	1.2	0.9	0.9	0.4	1.5			0.6	CV
	0.9	0.4	0.1	0.1	0.1	0.1	0.1				RV
	1.1	1.1	1.0	1.0	1.0	1.0	1.0			1.0	MN
TIME EXTENSION.....	67	22	6	8	17	10	3			4	SV
	100.0	34.3	9.0	11.9	25.4	14.9	4.5			6.0	RV
	1.7	1.6	1.0	1.4	2.1	1.2	1.5			2.4	CV
	1.7	0.6	0.2	0.2	0.4	0.3	0.1			0.1	RV
	1.1	1.0	1.0	1.1	1.1	1.0	1.5			2.0	MN
RETURN TO SENDER.....	184	58	5	13	33	63	1	9	3	9	SV
	100.0	27.2	2.7	7.1	17.9	28.6	0.5	4.9	1.6	4.9	RV
	[illegible]	3.6	1.0	2.3	6.1	6.3	0.5	14.3	2.8	5.3	CV
	[illegible]	1.3	0.1	0.3	0.8	1.4		0.2	0.1	0.2	RV
	1.3	1.3	1.0	1.0	1.4	1.5	1.0	1.3	1.0	1.5	MN
CLARIFICATION, PRIOR TO RESPONSE.....	139	51	9	29	16	26	9	1	6	3	SV
	100.0	36.7	6.5	20.9	11.5	18.7	6.5	0.7	4.3	2.2	RV
	3.5	3.6	2.7	5.1	3.8	3.1	4.5	1.6	5.6	1.8	CV
	3.5	1.3	0.2	0.7	0.4	0.7	0.2		0.2	0.1	RV
	1.1	1.1	1.0	1.2	1.3	1.1	1.1	1.0	3.0	1.0	MN
CLARIFICATION, BUT ELSEWHERE CLASSIFIED.....	246	87	38	48	32	61	13		15	10	SV
	100.0	32.7	11.3	15.0	12.4	19.2	4.9		5.6	3.8	RV
	6.8	6.2	9.1	7.1	6.3	6.1	6.4		13.9	5.9	CV
	6.8	2.2	0.8	1.5	0.9	1.3	0.3		0.4	0.3	RV
	1.8	1.8	2.0	1.7	1.8	1.9	1.6		3.0	1.4	MN
CALL IN RESPONSE TO CALL-US LETTER OR WAC LETTER.....	17	5		2	1	6	1				SV
	100.0	29.4		11.8	5.9	35.3	5.9				RV
	0.4	0.4		0.4	0.2	0.7	0.5				CV
	0.4	0.1		0.1		0.2					RV
	1.1	1.0		2.0	1.0	1.0	1.0				MN
SEND SER TO STUDENT//PARENT.....	7	3		3		2	1				SV
	100.0	42.9		42.9		28.6	14.3				RV
	0.2	0.2		0.5		0.2	0.5				CV
	0.2	0.1		0.1		0.1					RV
	1.0	1.0		1.0		1.0	1.0				MN
COMPLETED CALL TO STUDENT//PARENT.....	7	4	2		1	1					SV
	100.0	57.1	28.6		14.3	14.3					RV
	0.2	0.3	0.6		0.2	0.1					CV
	0.2	0.1	0.1								RV
	1.2	1.3	2.0		1.0	1.0					MN

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.
*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	MH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
	0.9	3.3	1.5			3.6		11.1	0.5	CV
	0.9	0.1				0.1				MV
	1.1	1.0	1.0			1.0		1.0	1.0	MN
TIME EXTENSION.....	67	1		2			3		2	SV
	100.0	1.5		3.0			4.5		3.0	RV
	1.7	1.7		1.6			3.4		0.9	CV
	1.7			0.1			0.1		0.1	MV
	1.1	1.0		1.0			1.0		1.0	MN
RETURN TO SENDER.....	184		6	3			12		7	SV
	100.0		3.3	1.6			6.5		3.8	RV
	4.7		0.8	2.4			13.6		3.3	CV
	4.7		0.2	0.1			0.3		0.2	MV
	1.3		1.0	1.5			1.7		1.0	MN
CLARIFICATION, PRIOR TO RESPONSE.....	139	4		9	2	2	1		3	SV
	100.0	2.9		6.5	1.4	1.4	0.7		2.2	RV
	3.5	6.7		7.3	22.2	3.6	1.1		1.4	CV
	3.5	0.1		0.2	0.1	0.1			0.1	MV
	1.1	1.0		1.3	1.0	1.0	1.0		1.0	MN
CLARIFICATION, NOT ELSEWHERE CLASSIFIED.....	266	2		10		14	3		20	SV
	100.0	0.8		3.8		5.3	1.1		7.5	RV
	6.8	3.3		8.1		25.5	3.4		9.4	CV
	6.8	0.1		0.3		0.4	0.1		0.5	MV
	1.8	2.0		2.0		4.7	1.5		2.9	MN
CALL IN RESPONSE TO CALL-US LETTER OR MAC LETTER.....	17								2	SV
	100.0								11.8	RV
	0.4								0.9	CV
	0.4								0.1	MV
	1.1								1.0	MN
SEND SER TO STUDENT/PARENT....	7									SV
	100.0									RV
	0.2									CV
	0.2									MV
	1.0									MN
COMPLETED CALL TO STUDENT/PARENT.....	7								1	SV
	100.0								14.3	RV
	0.2								0.5	CV
	0.2									MV
	1.2								1.0	MN

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- TRANSACTIONS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	*** REFERRAL REASONS ***										
INCOMPLETE CALL TO STUDENT/PARENT.....	8			1	1						SV
	100.0			12.5	12.5						RV
	0.2			0.2	0.2						CV
	0.2										MV
	2.7			1.0	1.0						MN
INCOMING MAIL.....	778	301	74	120	76	158	57	11	24	29	SV
	100.0	38.7	9.5	15.4	9.8	20.3	7.3	1.4	3.1	3.7	RV
	19.9	21.4	22.4	21.2	14.8	18.8	28.2	17.5	22.2	17.1	CV
	19.9	7.7	1.9	3.1	1.9	4.0	1.5	0.3	0.6	0.7	MV
	1.7	1.7	1.7	1.6	1.3	1.7	2.0	1.4	1.8	1.5	MN
INCOMING MAIL AFTER CLOSURE...	43	21	6	6	7	3	1	1	2	1	SV
	100.0	48.8	14.0	14.0	16.3	7.0	2.3	2.3	4.7	2.3	RV
	1.1	1.5	1.8	1.1	1.3	0.4	0.5	1.6	1.9	0.6	CV
	1.1	0.5	0.2	0.2	0.2	0.1			0.1		MV
	1.1	1.2	1.2	1.0	1.0	1.0	1.0	1.0	1.0	1.0	MN
COMMUNICATION WITH THIRD PARTIES.....											

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS; CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.1

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- TRANSACTIONS ---	TOTAL	MH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
INCOMPLETE CALL TO STUDENT/PARENT.....	8			6						SV
	100.0			75.0						RV
	0.2			4.9						CV
	0.2			0.2						MV
	2.7			6.0						MN
INCOMING MAIL.....	778	17	9	29	3	13	15	5	55	SV
	100.0	2.2	1.2	3.7	0.4	1.7	1.9	0.6	7.1	RV
	19.9	28.3	13.2	23.6	33.3	23.6	17.0	55.6	25.8	CV
	19.9	0.4	0.2	0.7	0.1	0.3	0.4	0.1	1.4	MV
	1.7	2.1	1.8	1.7	1.5	2.2	1.9	5.0	2.0	MN
INCOMING MAIL AFTER CLOSURE...	43		1	1					1	SV
	100.0		2.3	2.3					2.3	RV
	1.1		1.6	0.8					0.5	CV
	1.1									MV
	1.1		1.0	1.0					1.0	MN
COMMUNICATION WITH THIRD PARTIES.....										

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS; CELL ENTRIES ARE DUPLICATED COUNTS.

4.19

half of all referrals. The average number of transactions taken for cases referred by institutions or BEOG contractors was 4.2 transactions, with the greatest number occurring in cases referred for errors in post-high school enrollment (5.1 per case) and the fewest in citizenship referrals (3.3 per case).

In reviewing the proportions of specific transactions taken for each referral reason, several noteworthy findings can be seen. Cases referred for citizenship error received proportionately the greatest number of first follow-up letters (17.5%) followed in frequency by cases referred for Veteran's Educational Benefits (16.2%). Those referral reasons which required the fewest first reminders were referrals of discrepancies in assets/savings and non-taxable income (8.4% and 9.9%, respectively). Among all the second follow-up reminders sent, cases referred for citizenship again required the greatest proportion of this transaction (9.5%) followed by cases in which the discrepancies were unknown[1/] (9.1%). Since there were only 63 total transactions taken for cases referred with citizenship discrepancies, these high proportions of first and second follow-ups for this referral type cannot be considered stable findings.

In terms of the proportion of additional request transactions occurring for each referral reason, it appears that cases referred for errors in Federal taxes paid more frequently required the contractor to make corrections to the SER and return it for signature (1.8% of these transactions) than did other cases referred for other types of discrepancies such as assets/savings (.5%), and medical/dental expenses (.8%). This finding suggests that applicants are more often confused about the amount of taxes from their Federal Return than other entries on the SER. Many errors in taxes paid result from the applicant's/parent's confusion over taxes withheld versus taxes paid. Transactions relating to multiple requests for

[1/] Cases with unknown discrepancies were those that failed to respond or responded incompletely after three requests.

clarification were sent most frequently for cases referred for errors in medical/dental expenses (3.3%), household size (2.9%), and post-high school enrollment (2.8%). This can be attributed to the somewhat "unstructured" documentation which these students provide to verify these discrepancies, and which in turn often require further clarification before they can be adequately assessed.

One final observation from this frequency distribution concerns the distribution of transactions taken in the event the student fails to respond to the request letters, and thus his/her award is suspended. Among all referral reasons, the highest proportion of this "suspension" transaction occurred in instances of zero/low income referrals (7.6%) whereas the fewest suspension transactions occurred for referrals of errors in post-high school enrollment (2.8%).

In conducting the Institution Referral and OE/ACT Referral studies over the past three years, we have found that often after a case has been referred and validation procedures are initiated, the validation contractor discovers additional errors on Student Eligibility Reports besides the discrepancies specified in the referral. For this reason Table 4.2 has been produced to display the frequency of transactions with students and parents by the actual discrepancies. Of the 3,918 total transactions taken on the institution and OE/ACT cases, the highest proportion of transactions occurred for the following actual discrepancies: errors in portions of earned income (14.8%), errors in adjusted gross income (12.9%), and errors in taxes paid (11.2%).[1/]

Examination of the average number of transactions by actual discrepancy type reveals that resolved cases showing errors in unusual expenses, household size and nontaxable income averaged the highest number of transactions per case (6.4, 6.2, and 6.0, respectively). Of those cases resolved at the time this report was

---

[1/] The transaction rates for cases currently unresolved and cases with no discrepancies have not been included, since these categories do not represent actual data about discrepancies.

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS)
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PUNITIONS EARNED (14,15)	
TOTAL.....	3,918	505	437	175	164	4	408	588	SV
	100.0	12.9	11.2	4.5	4.2	0.1	10.4	14.8	RV
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CV
	100.0	12.9	11.2	4.5	4.2	0.1	10.4	14.8	RV
	4.2	5.0	5.4	5.6	5.4	2.0	6.0	5.2	RR
INITIAL REQUEST FOR DATA.....	899	89	75	26	28	1	62	107	SV
	100.0	9.9	8.3	2.9	3.1	0.1	6.9	11.9	RV
	22.9	17.6	17.2	14.9	17.2	25.0	15.2	18.4	CV
	22.9	2.3	1.9	0.7	0.7		1.6	2.7	RV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RR
FIRST FOLLOW-UP TO INITIAL REQUEST.....	445	29	30	12	8		19	33	SV
	100.0	6.5	6.7	2.7	1.8		4.3	7.4	RV
	11.4	5.7	6.9	6.9	4.9		4.7	5.7	CV
	11.4	0.7	0.8	0.3	0.2		0.5	0.8	RV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR
SECOND FOLLOW-UP TO INITITAL REQUEST.....	242	9	10	3	4		4	8	SV
	100.0	3.7	4.1	1.2	1.6		1.7	3.3	RV
	6.2	1.8	2.3	1.7	1.8		1.0	1.4	CV
	6.2	0.2	0.3	0.1	0.1		0.1	0.2	RV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR
REQUEST FOR ADDITIONAL DATA...	10				1		1		SV
	100.0				10.0		10.0		RV
	0.3				0.4		0.2		CV
	0.3								RV
	1.0				1.0		1.0		RR
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE.....	9	1	2	1			2	1	SV
	100.0	11.1	22.2	11.1			22.2	11.1	RV
	0.2	0.2	0.5	0.6			0.5	0.2	CV
	0.2		0.1				0.1		RV
	1.0	1.0	1.0	1.0			1.0	1.0	RR
FOLLOW-UP TO AN ADDITIONAL REQUEST.....	35								SV
	100.0								RV
	0.9								CV
	0.9								RV
	1.0								RR
ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY)....	21								SV
	100.0								RV

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (85.06 87)	HOUSE-HOLD SIZE (84)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 26.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL.....	3,918	196	302	39	102	3	8	197	1,336	11	1,320	SV
	100.0	5.0	7.7	1.0	2.6	0.1	0.2	5.0	34.1	0.3	33.8	RV
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CV
	100.0	5.0	7.7	1.0	2.6	0.1	0.2	5.0	34.1	0.3	33.8	MV
	4.2	5.9	6.2	2.6	6.4	3.0	4.0	5.8	5.0	2.2	3.3	MN
INITIAL REQUEST FOR DATA.....	899	30	45	7	13	1	2	33	272	5	494	SV
	100.0	3.3	5.0	0.8	1.4	0.1	0.2	3.7	30.3	0.6	50.5	RV
	22.9	15.3	14.9	17.9	12.7	33.3	25.0	16.8	20.1	45.5	29.9	CV
	22.9	0.8	1.1	0.2	0.3		0.1	0.8	6.9	0.1	11.6	MV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	MN
FIRST FOLLOW-UP TO INITIAL REQUEST.....	445	9	14	3	4			13	198	2	191	SV
	100.0	2.0	3.1	0.7	0.9			2.9	44.5	0.4	42.9	RV
	11.4	4.6	4.6	7.7	3.9			6.6	14.8	18.2	12.6	CV
	11.4	0.2	0.4	0.1	0.1			0.3	5.1	0.1	4.9	MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0	1.0	1.0	MN
SECOND FOLLOW-UP TO INITIAL REQUEST.....	242	2	4		2			5	142	2	83	SV
	100.0	0.8	1.7		0.8			2.1	58.7	0.8	34.3	RV
	6.2	1.0	1.3		2.0			2.5	10.5	18.2	5.5	CV
	6.2	0.1	0.1		0.1			0.1	3.6	0.1	2.1	MV
	1.0	1.0	1.0		1.0			1.0	1.0	1.0	1.0	MN
REQUEST FOR ADDITIONAL DATA...	10								5		3	SV
	100.0								50.0		30.0	RV
	0.3								0.4		0.2	CV
	0.3								0.1		0.1	MV
	1.0								1.0		1.0	MN
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE.....	9	2	3					2	5			SV
	100.0	22.2	33.3					22.2	55.6			RV
	0.2	1.0	1.0					1.0	0.4			CV
	0.2	0.1	0.1					0.1	0.1			MV
	1.0	1.0	1.0					1.0	1.0			MN
FOLLOW-UP TO AN ADDITIONAL REQUEST.....	35								1		34	SV
	100.0								2.9		97.1	RV
	0.9								0.1		2.2	CV
	0.9										0.9	MV
	1.0								1.0		1.0	MN
ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).....	21								21			SV
	100.0								100.0			RV

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS)
ACTUAL DISCREPANCIES

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (10,13)	TAXES PAID (10,17 10)	DEPEND STATUS (02)	ASSETS (25)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (10,15)	
	0.0								CV
	0.0								RV
	1.0								RN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	77	42	34	12	9	1	32	87	SV
	100.0	54.5	44.2	15.6	11.7	1.3	41.6	74.8	RV
	27.8	8.5	7.8	8.9	5.0	25.0	7.8	9.8	CV
	22.8	1.1	8.9	8.3	8.2		8.8	1.5	RV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RN
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE	46	9	10	6	4		6	12	SV
	100.0	19.6	21.7	13.0	8.8		13.0	26.1	RV
	11.2	1.8	2.3	3.4	1.4		1.8	2.1	CV
	11.2	8.2	8.3	8.2	8.1		8.2	8.3	RV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RN
SEND SER TO IOWA SEND LETTER TO INSTITUTION TO EXPECT NEW SEI									
ACKNOWLEDGEMENT OF NON-USE OF GRANT	10								SV
	100.0								RV
	8.3								CV
	8.3								RV
	1.0								RN
ACKNOWLEDGEMENT OF OE RESOLUTION	2								SV
	100.0								RV
	8.1								CV
	8.1								RV
	1.0								RN
CORRECTIONS TOO LATE FOR IOWA (IR ONLY)	26	13	6	5	4	1	6	6	SV
	100.0	50.0	23.1	19.2	7.7	3.8	23.1	15.4	RV
	8.7	2.4	1.4	2.9	1.4	25.0	1.5	8.7	CV
	8.7	8.3	8.2	8.1	8.1		8.2	8.1	RV
	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	RN
CONTRACTOR MAKES CORRECTIONS - SER NEEDS SIGNATURE	48	13	11	3	4		10	19	SV

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS) - CONT.

ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	POOR HIGH (85.0% 87)	HOUSE-HOLD SIZE (84)	NEED'S ANAL-YSIS (23)	UN-USUAL LOAN (19. 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (23.03 28.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	0.5								1.5			Cv
	0.5								0.5			RV
	1.0								1.0			MM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE.....	77	10	20	1	0	1		11				
	100.0	12.0	68.0	1.3	7.8	1.3		14.3				SV
	4.0	5.1	6.6	2.6	5.9	33.3		5.6				RV
	2.0	0.3	0.5		0.2			0.3				Cv
	1.0	1.0	1.0	1.0	1.0	1.0		1.0				MM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE.....	44	7	8		1			4	2		22	
	100.0	15.2	17.4		2.2			8.7	4.3		50.0	SV
	1.2	3.6	2.6		1.0			2.0	0.1		1.7	RV
	1.2	0.2	0.2					0.1	0.1		0.7	Cv
	1.0	1.2	1.1		1.0			1.0	1.0		1.0	MM
SEND SER TO IOWA/ SEND LETTER TO INSTITUTION TO EXPECT NEW SER.....												
ACKNOWLEDGEMENT OF NON-USE OF GRANT.....	10								10			
	100.0								100.0			SV
	0.3								0.7			RV
	0.3								0.3			Cv
	1.0								1.0			MM
ACKNOWLEDGEMENT OF OE RESOLUTION.....	2							1	1			
	100.0							50.0	50.0			SV
	0.1							0.5	0.1			RV
	0.1											Cv
	1.0							1.0	1.0			MM
CORRECTIONS TOO LATE FOR IOWA (IR ONLY).....	26	3	4	8	4			1				
	100.0	11.5	15.4	30.8	11.5			3.8				SV
	0.7	1.8	1.2	29.5	2.9			0.5				RV
	0.7	0.1	0.1	0.2	0.1							Cv
	1.0	1.0	1.0	1.0	1.0			1.0				MM
CONTRACTOR MAKES CORRECTIONS - SER NEEDS SIGNATURE.....	40	4	9	1	4			1	9		10	SV

07/27/78 -288- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS)
ACTUAL DISCREPANCIES

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (10.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
	100.0	32.5	27.6	7.5	5.0		25.0	47.5	SV
	1.0	2.6	2.5	1.7	1.2		2.5	3.3	RV
	1.0	0.3	0.3	0.1	0.1		0.3	0.5	CV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MV
									MM
REQUESTING ADDITIONAL DOCUMENTS.....	119	4	6	1	3		8	7	SV
	100.0	3.4	4.2	0.8	2.5		6.7	5.9	RV
	3.0	0.8	1.1	0.6	1.8		2.0	1.2	CV
	3.0	0.1	0.1		0.1		0.2	0.2	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
REQUESTING CLARIFICATION AND SPECIAL ACTION.....	42	3	2		1		7	2	SV
	100.0	7.1	4.8		2.4		16.7	4.8	RV
	1.1	0.6	0.3		0.4		1.7	0.3	CV
	1.1	0.1	0.1				0.2	0.1	MV
	1.0	1.0	1.0		1.0		1.0	1.0	MM
REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	23	2	1				2	2	SV
	100.0	8.7	4.3				8.7	8.7	RV
	0.6	0.4	0.2				0.5	0.3	CV
	0.6	0.1					0.1	0.1	MV
	1.0	1.0	1.0				1.0	1.0	MM
MULTIPLE REQUESTS FOR CLARIFICATION.....	65	20	17	8	5		10	20	SV
	100.0	30.8	26.2	12.3	7.7		15.4	30.8	RV
	1.7	4.8	3.9	4.6	3.1		2.5	3.4	CV
	1.7	0.8	0.6	0.2	0.1		0.3	0.5	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
REQUESTING SIGNATURE ON SER...	25	7	4	2	4		5	8	SV
	100.0	28.0	16.0	8.0	16.0		20.0	32.0	RV
	0.6	1.4	0.9	1.1	1.8		1.2	1.4	CV
	0.6	0.2	0.1	0.1	0.1		0.1	0.2	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
CALL-US LETTER.....	15	2	1		1		1	2	SV
	100.0	13.3	6.7		6.7		6.7	13.3	RV
	0.4	0.4	0.2		0.6		0.2	0.3	CV
	0.4	0.1						0.1	MV
	1.0	1.0	1.0		1.0		1.0	1.0	MM
COMPLETELY CUSTOMIZED LETTER.....	11	1	1		1		1	1	SV
	100.0	9.1	9.1		9.1		9.1	9.1	RV
	0.3	0.2	0.2		0.4		0.2	0.2	CV
	0.3								MV

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS) - CONT.
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	100.0	10.0	15.0	2.5	5.0			2.5	22.5		25.0	NV
	1.0	2.0	2.0	2.6	2.0			0.5	0.7		0.7	CV
	1.0	0.1	0.2		0.1				0.2		0.3	MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0		1.0	MN
REQUESTING ADDITIONAL DOCUMENTS.....	119	2	2		2			3	33		70	SV
	100.0	1.7	1.7		1.7			2.5	27.7		58.8	NV
	3.0	1.0	0.7		2.0			1.5	2.4		4.6	CV
	3.0	0.1	0.1		0.1			0.1	0.8		1.8	MV
	1.0	1.0	1.0		1.0			1.0	1.0		1.0	MN
REQUESTING CLARIFICATION AND SPECIAL ACTION.....	42	3	2	1	1			4	12		18	SV
	100.0	7.1	4.8	2.4	2.4			9.5	28.6		42.9	NV
	1.1	1.5	0.7	2.6	1.0			2.0	0.9		1.2	CV
	1.1	0.1	0.1					0.1	0.3		0.5	MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0		1.0	MN
REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	23		2						7		13	SV
	100.0		8.7						30.4		56.5	NV
	0.6		0.7						0.5		0.9	CV
	0.6		0.1						0.2		0.3	MV
	1.0		1.0						1.0		1.0	MN
MULTIPLE REQUESTS FOR CLARIFICATION.....	65	8	13	2	5			5	14		23	SV
	100.0	12.3	20.0	3.1	7.7			7.7	21.5		35.4	NV
	1.7	4.1	4.3	5.1	4.9			2.5	1.0		1.5	CV
	1.7	0.2	0.3	0.1	0.1			0.1	0.4		0.6	MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0		1.0	MN
REQUESTING SIGNATURE ON SER...	25	2	4		1		1	2	5		5	SV
	100.0	8.0	16.0		4.0		4.0	8.0	20.0		20.0	NV
	0.6	1.0	1.3		1.0		12.5	1.0	0.4		0.3	CV
	0.6	0.1	0.1					0.1	0.1		0.1	MV
	1.0	1.0	1.0		1.0		1.0	1.0	1.0		1.0	MN
CALL-US LETTER.....	15	1	1					1	2		11	SV
	100.0	6.7	6.7					6.7	13.3		73.3	NV
	0.4	0.5	0.3					0.5	0.1		0.7	CV
	0.4								0.1		0.3	MV
	1.0	1.0	1.0					1.0	1.0		1.0	MN
COMPLETELY CUSTOMIZED LETTER.....	11	1	1						1		8	SV
	100.0	9.1	9.1						9.1		72.7	NV
	0.3	0.5	0.3						0.1		0.5	CV
	0.3										0.2	MV

BEST COPY AVAILABLE

TABLE 4.02A AVAILABLE

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS)
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
	1.0	1.0	1.0		1.0		1.0	1.0	MM
AWARD SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL REQUEST.....	165		1						SV
	100.0		0.6						RV
	4.2		0.2						CV
	4.2								MV
	1.0		1.0						MM
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	22						1		SV
	100.0						4.5		RV
	0.6						0.2		CV
	0.6								MV
	1.0						1.0		MM
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT.....									
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....									
ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....									
ACKNOWLEDGEMENT OF DE RESOLUTION AFTER SUSPENSION...									
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION.....									
REQUESTING PROOF OF CITIZENSHIP.....									
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	10			1				2	SV
	100.0			10.0				20.0	RV
	0.3			0.6				0.3	CV
	0.3							0.1	MV
	1.0			1.0				1.0	MM
REQUESTING CHANGE OF DEPENDENCY STATUS.....	9	2	1	2	1			1	SV
	100.0	22.2	11.1	22.2	11.1			11.1	RV
	0.2	0.4	0.2	1.1	0.6			0.2	CV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS) - CONT.
ACTUAL DISCREPANCIES

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	1.0	1.0	1.0						1.0		1.0	MN
AWARD SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL REQUEST.....	165		1					2	164			SV
	100.0		0.6					1.2	99.4			RV
	4.2		0.3					1.0	12.1			CV
	4.2							0.1	4.2			MV
	1.0		1.0					1.0	1.0			MN
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	22				1				21			SV
	100.0				4.5				95.5			RV
	0.6				1.0				1.5			CV
	0.6								0.5			MV
	1.0				1.0				1.0			MN
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT.....												
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....												
ADKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....												
ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION...												
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION.....												
REQUESTING PROOF OF CITIZENSHIP.....												
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	10								3		6	SV
	100.0								30.0		60.0	RV
	0.3								0.2		0.4	CV
	0.3								0.1		0.2	MV
	1.0								1.0		1.0	MN
REQUESTING CHANGE OF DEPENDENCY STATUS.....	9	2	2					2	3		4	SV
	100.0	22.2	22.2					22.2	33.3		44.4	RV
	0.2	1.0	0.7					1.0	0.2		0.3	CV

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS)
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
	0.2	0.1		0.1					
	1.0	1.0	1.0	1.0	1.0			1.0	MV
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....									
SECOND INSTRUCTION TO CORRECT RESPONSE.....	34	5	4	2	3		4	5	
	100.0	14.7	11.8	5.9	8.8		11.8	14.7	SV
	0.9	1.0	0.9	1.1	1.0		1.0	0.9	RV
	0.9	0.1	0.1	0.1	0.1		0.1	0.1	CV
	1.1	1.0	1.0	1.0	1.0		1.0	1.0	MV
									MN
TIME EXTENSION.....	67	5	7		1		9	7	
	100.0	7.5	10.4		1.5		13.4	10.4	SV
	1.7	1.0	1.6		0.6		2.2	1.2	RV
	1.7	0.1	0.2				0.2	0.2	CV
	1.1	1.0	1.0		1.0		1.3	1.0	MV
									MN
RETURN TO SENDER.....	184	3	3	4	3		6	4	
	100.0	1.6	1.6	2.2	1.6		3.3	2.2	SV
	4.7	0.6	0.7	2.3	1.0		1.5	0.7	RV
	4.7	0.1	0.1	0.1	0.1		0.2	0.1	CV
	1.3	1.0	1.0	1.0	1.0		1.5	1.3	MV
									MN
CLARIFICATION, PRIOR TO RESPONSE.....	139	17	12	4	2		14	17	
	100.0	12.2	8.6	2.9	1.4		10.1	12.2	SV
	3.5	3.4	2.7	2.3	1.2		3.4	2.9	RV
	3.5	0.4	0.3	0.1	0.1		0.4	0.4	CV
	1.1	1.1	1.2	1.0	1.0		1.2	1.1	MV
									MN
CLARIFICATION, NOT ELSEWHERE CLASSIFIED.....	266	50	49	26	26		59	46	
	100.0	18.8	18.4	9.8	9.8		22.2	17.3	SV
	6.8	9.9	11.2	14.9	16.0		14.5	7.9	RV
	6.8	1.3	1.3	0.7	0.7		1.5	1.2	CV
	1.8	2.4	2.4	6.3	3.7		2.2	2.1	MV
									MN
CALL IN RESPONSE TO CALL-US LETTER OR WAC LETTER.....	17	5	5	6	3		4	7	
	100.0	29.4	29.4	35.3	17.6		23.5	41.2	SV
	0.4	1.0	1.1	3.4	1.8		1.0	1.2	RV
	0.4	0.1	0.1	0.2	0.1		0.1	0.2	CV
	1.1	1.0	1.0	1.2	1.0		1.3	1.0	MV
									MN
SEND SER TO STUDENT/PARENT.....	7				1				
	100.0				14.3				SV
	0.2				0.6				RV
	0.2								CV
									MV

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	0.2	0.1	0.1					0.1	0.1		0.1	MV
	1.0	1.0	1.0					1.0	1.0		1.0	MN
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....												
SECOND INSTRUCTION TO CORRECT RESPONSE.....	34	2	4		1			2	5		19	SV
	100.0	5.9	11.8		2.9			5.9	14.7		55.9	RV
	0.9	1.0	1.3		1.0			1.0	0.4		1.3	CV
	0.9	0.1	0.1					0.1	0.1		0.5	MV
	1.1	1.0	1.0		1.0			1.0	1.0		1.1	MN
TIME EXTENSION.....	67		3		1			6	22	1	29	SV
	100.0		4.5		1.5			9.0	32.8	1.5	43.3	RV
	1.7		1.0		1.0			3.0	1.6	9.1	1.9	CV
	1.7		0.1					0.2	0.6		0.7	MV
	1.1		3.0		1.0			1.5	1.0	1.0	1.2	MN
RETURN TO SENDER.....	184	3	5					6	110	1	62	SV
	100.0	1.6	2.7					3.3	59.8	0.5	33.7	RV
	4.7	1.5	1.7					3.0	8.1	9.1	4.1	CV
	4.7	0.1	0.1					0.2	2.8		1.6	MV
	1.3	1.0	1.0					1.2	1.4	1.0	1.2	MN
CLARIFICATION, PRIOR TO RESPONSE.....	139	1	6	1	6		2	5	43		64	SV
	100.0	0.7	4.3	0.7	4.3		1.4	3.6	30.9		46.0	RV
	3.5	0.5	2.0	2.6	5.9		25.0	2.5	3.2		4.2	CV
	3.5		0.2		0.4		0.1	0.1	1.1		1.6	MV
	1.1	1.0	1.0	1.0	1.5		1.0	1.0	1.3		1.1	MN
CLARIFICATION, NOT ELSEWHERE CLASSIFIED.....	266	36	49	4	13			27	41		83	SV
	100.0	13.5	18.4	1.5	4.9			10.2	15.4		31.2	RV
	6.8	18.4	16.2	10.3	12.7			13.7	3.0		5.5	CV
	6.8	0.9	1.3	0.1	0.3			0.7	1.0		2.1	MV
	1.8	3.6	2.6	2.0	3.3			2.7	1.5		1.4	MN
CALL IN RESPONSE TO CALL-US LETTER OR WAC LETTER.....	17	6	6		1			3	1		6	SV
	100.0	35.3	35.3		5.9			17.6	5.9		35.3	RV
	0.4	3.1	2.0		1.0			1.5	0.1		0.4	CV
	0.4	0.2	0.2					0.1			0.2	MV
	1.1	1.2	1.2		1.0			1.0	1.0		1.0	MN
SEND SER TO STUDENT/PARENT....	7		1						2		4	SV
	100.0		14.3						28.6		57.1	RV
	0.2		0.3						0.1		0.3	CV
	0.2								0.1		0.1	MV

07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND OE REFERRALS)
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
	1.0				1.0				NN
COMPLETED CALL TO STUDENT/PARENT.....	7	3	3	1			1	4	SV
	100.0	42.9	42.9	14.3			14.3	57.1	RV
	0.2	0.4	0.7	0.6			0.2	0.7	CV
	0.2	0.1	0.1					0.1	HV
	1.2	1.5	1.5	1.0			1.0	1.3	HN
INCOMPLETE CALL TO STUDENT/PARENT.....	8						1		SV
	100.0						12.5		RV
	0.2						0.2		CV
	0.2								HV
	2.7						1.0		HN
INCOMING MAIL.....	778	159	133	47	63	1	103	193	SV
	100.0	20.4	17.1	6.0	6.0	0.1	15.0	24.8	RV
	19.9	31.6	30.4	26.9	32.6	25.0	30.1	33.3	CV
	19.9	4.1	3.4	1.2	1.6		3.1	4.9	HV
	1.7	1.9	2.0	2.0	2.1	1.0	2.1	1.9	HN
INCOMING MAIL AFTER CLOSURE...	43	11	10	3	1		10	11	SV
	100.0	25.6	23.3	7.0	2.3		23.3	25.6	RV
	1.1	2.2	2.3	1.7	0.6		2.5	1.9	CV
	1.1	0.3	0.3	0.1			0.3	0.3	HV
	1.1	1.0	1.1	1.0	1.0		1.0	1.0	HN
COMMUNICATION WITH THIRD PARTIES.....									

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.2

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (INSTITUTION AND DE REFERRALS) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	1.0		1.0						1.0		1.0	MN
COMPLETED CALL TO STUDENT/PARENT.....	7	1	1						1		2	SV
	100.0	14.3	14.3						14.3		28.6	RV
	0.2	0.5	0.3						0.1		0.1	CV
	0.2										0.1	MV
	1.2	1.0	1.0						1.0		1.0	MN
INCOMPLETE CALL TO STUDENT/PARENT.....	8				6						1	SV
	100.0				75.0						12.5	RV
	0.2				5.9						0.1	CV
	0.2				0.2							MV
	2.7				6.0						1.0	MN
INCOMING MAIL.....	778	56	87	10	31	1	3	53	179		291	SV
	100.0	7.2	11.2	1.3	4.0	0.1	0.4	6.8	23.0		37.4	RV
	19.9	28.6	28.8	25.6	30.4	33.3	37.5	26.9	13.2		19.1	CV
	19.9	1.4	2.2	0.3	0.8		0.1	1.4	4.6		7.4	MV
	1.7	2.0	2.2	1.7	2.4	1.0	1.5	2.0	1.6		1.6	MN
INCOMING MAIL AFTER CLOSURE...	43	5	8	1	2			5	21			SV
	100.0	11.6	18.6	2.3	4.7			11.6	48.8			RV
	1.1	2.6	2.6	2.6	2.0			2.5	1.5			CV
	1.1	0.1	0.2		0.1			0.1	0.5			MV
	1.1	1.0	1.1	1.0	1.0			1.7	1.1			MN
COMMUNICATION WITH THIRD PARTIES.....												

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS)
CELL ENTRIES ARE DUPLICATED COUNTS.

prepared, there were no particular discrepancy areas identified which required a disproportionately high number of follow-up letters; rather those cases in which actual discrepancies were unknown accounted for the largest proportion of first follow-up transactions (18.2%) compared to an overall average of 7.7%). Cases in which no discrepancies were uncovered[1/] required the second highest proportion of second follow-up transactions in instances of unresolved cases and cases of unknown discrepancies (18.2% and 10.5%, respectively).

In terms of the distribution of transactions which follow the receipt of responses containing a corrected SER supported by documents, the greatest proportion of such transactions occurred in cases containing actual discrepancies in portions of earned income (9.8%) and adjusted gross income (8.5%), whereas the fewest proportion of this transaction type occurred in asset discrepancies and errors in unusual expenses (both occurred at the rate of 0.2%). The highest proportion of transactions taken on cases in which SER corrections were received after the BEOG processor's deadline for submitting them was for cases with Veteran's Educational benefits errors. The proportion of transactions were considerably higher for Veteran's Benefits (20.5% than other categories such as (unusual expenses (2.9%) and discrepancies in number in post-high (1.5%). This occurrence is not particularly generalizable; it is attributed to the fact that a particular institution referred several cases involving discrepancies in Veteran's Benefits.

Distribution of Student Responses

In order to determine the effectiveness of the validation procedures; i.e., the extent to which students are responding to the procedural letters and actions implemented in the Institution Referral study, a series of tables have been provided to display the distribution of responses at various intervals in the validation cycle by the referral reasons. Table 4.3 presents the distribution

1/ Cases with no discrepancies were those closed due to the receipt of acceptable documents verifying original SER data.

TABLE 4.3

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
TOTAL	486	163	39	68	30	83	24	4	13	28	SC
	100.0	48.1	9.6	14.0	14.3	28.4	5.9	1.0	3.2	4.9	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	48.1	9.6	14.0	14.3	28.4	5.9	1.0	3.2	4.9	RC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	13	6	1	1	1	2	1		1	1	SC
	100.0	46.2	7.7	7.7	7.7	15.4	7.7		7.7	7.7	RC
	3.2	3.7	2.6	1.7	2.0	2.4	4.2		7.7	3.6	CC
	3.2	1.5	0.2	0.2	0.2	0.5	0.2		0.2	0.2	RC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	30	14	2	7	3	3	1	1	2	2	SC
	100.0	46.7	6.7	23.3	10.0	10.0	3.3	3.3	6.7	6.7	RC
	7.4	8.6	5.1	11.7	6.0	3.6	4.2	25.0	15.4	10.0	CC
	7.4	3.4	0.5	1.7	0.7	0.7	0.2	0.2	0.5	0.5	RC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEH BUT NOT ALL CORRECTIONS MADE	23	16	2	3	1	3			1	1	SC
	100.0	69.6	8.7	13.0	4.3	13.0			4.3	4.3	RC
	5.7	9.8	5.1	5.0	2.0	3.6			7.7	3.6	CC
	5.7	3.9	0.5	0.7	0.2	0.7			0.2	0.2	RC
13 SEND SEH TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SEI											
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	9	1		2		5					SC
	100.0	11.1		22.2		55.6					RC
	2.2	0.6		3.3		6.0					CC
	2.2	0.2		0.5		1.2					RC
15 ACKNOWLEDGEMENT OF OE RESOLUTION	2	1				1					SC
	100.0	50.0				50.0					RC
	0.5	0.6				1.2					CC
	0.5	0.2				0.2					RC
21 CONTRACTOR MAKES CORRECTIONS - SEH NEEDS SIGNATURE	30	14	4	4	2	4	1			1	SC
	100.0	83.3	13.3	13.3	6.7	13.3	3.3			3.3	RC
	7.4	9.8	10.3	6.7	6.0	4.8	4.2			5.0	CC
	7.4	3.9	1.0	1.0	0.5	1.0	0.2			0.2	RC

BEST COPY AVAILABLE

TABLE 4.3

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
TOTAL.....	406	8	3	14	1	5	7	1	25	SC
	100.0	2.0	0.7	3.4	0.2	1.2	1.7	0.2	6.2	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	2.0	0.7	3.4	0.2	1.2	1.7	0.2	6.2	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	13			1					1	SC
	100.0			7.7					7.7	RC
	3.2			7.1					4.0	CC
	3.2			0.2					0.2	MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE.....	30	2								SC
	100.0	6.7								RC
	7.4	25.0								CC
	7.4	0.5								MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEN BUT NOT ALL CORRECTIONS MADE.....	23	1		1					3	SC
	100.0	4.3		4.3					13.0	RC
	5.7	12.5		7.1					12.0	CC
	5.7	0.2		0.2					0.7	MC
13 SEND SEN TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SEI.....										
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT.....	9								1	SC
	100.0								11.1	RC
	2.2								4.0	CC
	2.2								0.2	MC
15 ACKNOWLEDGEMENT OF OE RESOLUTION.....	2									SC
	100.0									RC
	0.5									CC
	0.5									MC
21 CONTRACTOR MAKES CORRECTIONS - SEN NEEDS SIGNATURE.....	30			1			2		2	SC
	100.0			3.3			6.7		6.7	RC
	7.4			7.1			28.6		8.0	CC
	7.4			0.2			0.5		0.5	MC

BEST COPY AVAILABLE

TABLE 4.3

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
		*** REFERRAL REASONS ***									
22 REQUESTING ADDITIONAL DOCUMENTS	98	37	12	12	13	23	8		3	4	SC
	100.0	37.8	12.2	12.2	13.3	23.5	8.2		3.1	4.1	RC
	24.1	22.7	30.8	20.0	26.0	27.7	33.3		23.1	20.0	CC
	24.1	9.1	3.0	3.0	3.2	5.7	2.0		0.7	1.0	MC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION	35	10	3	8	10	2			1	2	SC
	100.0	28.6	8.6	22.9	28.6	5.7			2.9	5.7	RC
	8.6	6.1	7.7	13.3	20.0	2.4			7.7	10.0	CC
	8.6	2.5	0.7	2.0	2.5	0.5			0.2	0.5	MC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS	15	6		2	5	2	2			1	SC
	100.0	40.0		13.3	33.3	13.3	13.3			6.7	RC
	3.7	3.7		3.3	10.0	2.4	8.3			5.0	CC
	3.7	1.5		0.5	1.2	0.5	0.5			0.2	MC
25 MULTIPLE REQUESTS FOR CLARIFICATION	56	21	8	11	7	10	5		3	5	SC
	100.0	37.5	14.3	19.6	14.3	17.9	8.9		5.4	8.9	RC
	13.8	12.9	20.5	18.3	14.0	12.0	20.8		23.1	25.0	CC
	13.8	5.2	2.0	2.7	1.7	2.5	1.2		0.7	1.2	MC
26 REQUESTING SIGNATURE ON SER	13	6		2			3			1	SC
	100.0	46.2		15.4			23.1			7.7	RC
	3.2	3.7		3.3			12.5			5.0	CC
	3.2	1.5		0.5			0.7			0.2	MC
27 CALL-US LETTER	9	3		1	2	3				1	SC
	100.0	33.3		11.1	22.2	33.3				11.1	RC
	2.2	1.8		1.7	4.0	3.6				5.0	CC
	2.2	0.7		0.2	0.5	0.7				0.2	MC
28 COMPLETELY CUSTOMIZED LETTER	6	2		1	2	1					SC
	100.0	33.3		16.7	33.3	16.7					RC
	1.5	1.2		1.7	4.0	1.2					CC
	1.5	0.5		0.2	0.5	0.2					MC
41 REQUESTING PROOF OF CITIZENSHIP											
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS	9	3	1	1	2	6					SC
	100.0	33.3	11.1	11.1	22.2	66.7					RC
	2.2	1.8	2.6	1.7	4.0	7.2					CC
	2.2	0.7	0.2	0.2	0.5	1.5					MC

BEST COPY AVAILABLE

TABLE 4.3

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CHEP	UN-KNOWN	IDENT-IFICA-TION	NEC	
22 REQUESTING ADDITIONAL DOCUMENTS.....	98	2	2	4		2	2	1	6	SC
	100.0	2.0	2.0	4.1		2.0	2.0	1.0	6.1	RC
	24.1	25.0	66.7	28.6		40.0	28.6	100.0	24.0	CC
	24.1	0.5	0.5	1.0		0.5	0.5	0.2	1.5	MC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	35	2		2			1		1	SC
	100.0	5.7		5.7			2.9		2.9	RC
	8.6	25.0		14.3			14.3		4.0	CC
	8.6	0.5		0.5			0.2		0.2	MC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	15								2	SC
	100.0								13.3	RC
	3.7								8.0	CC
	3.7								0.5	MC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	56	1		3		1			5	SC
	100.0	1.8		5.4		1.8			8.9	RC
	13.8	12.5		21.4		20.0			20.0	CC
	13.8	0.2		0.7		0.2			1.2	MC
26 REQUESTING SIGNATURE ON SER	13				1					SC
	100.0				7.7					RC
	3.2				100.0					CC
	3.2				0.2					MC
27 CALL-US LETTER.....	9									SC
	100.0									RC
	2.2									CC
	2.2									MC
28 COMPLETELY CUSTOMIZED LETTER.....	6									SC
	100.0									RC
	1.5									CC
	1.5									MC
41 REQUESTING PROOF OF CITIZENSHIP.....										
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	9								1	SC
	100.0								11.1	RC
	2.2								4.0	CC
	2.2								0.2	MC

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.13

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	9	1				9					SC
	100.0	11.1				100.0					HC
	2.2	0.6				10.8					CC
	2.2	0.2				2.2					NC
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS											
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....											
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....											
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....											
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....											
35 ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION											
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..											
86 SEND SER TO STUDENT/PARENT.											
87 COMPLETED CALL TO.....											
88 INCOMPLETE CALL TO.....											
95 COMMUNICATION WITH THIRD PARTIES.....											
-- OTHER.....	49	20	6	5	4	9	3	3	2	1	SC
	100.0	40.8	12.2	10.2	4.1	18.4	6.1	6.1	4.1	2.0	HC
	12.1	12.3	15.4	8.3	4.8	10.8	12.5	75.0	15.4	5.0	CC
	12.1	4.9	1.5	1.2	0.5	2.2	0.7	0.7	0.5	0.2	NC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS)!
CELL ENTRIES ARE DUPLICATED COUNTS.

TABLE 4.3

DISTRIBUTION OF FIRST RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	MN SIZE AND PHE	VET'S BENE- FITS	MEDICAL DENTAL	PRIOR ENROLL- MENT	MULT DIS- CREP	UN- KNOWN	IDENT- IFICA- TION	NEC	
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	9									SC
	100.0									NC
	2.2									CC
	2.2									MC
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS										
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....										
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....										
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....										
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....										
35 ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION										
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..										
86 SEND SER TO STUDENT/PARENT.										
87 COMPLETED CALL TO.....										
88 INCOMPLETE CALL TO.....										
95 COMMUNICATION WITH THIRD PARTIES.....										
-- OTHER.....	49		1	2	2	2		3		SC
	100.0		2.0	4.1	4.1	4.1		6.1		NC
	12.1		33.3	14.3	40.0	28.6		12.0		CC
	12.1		0.2	0.5	0.5	0.5		0.7		MC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

4.41

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

of first responses from study participants at the time this report was prepared. The data shown in this table are based upon a total of 406 first responses received from applicants or their parents. It should be noted that 406 is a count of the total cases having first responses, whereas the cell entries contain duplicated counts of transactions; i.e., transactions taken on cases with more than one referral reason are counted more than once. Of these 406 first responses only 13 (3.2%) contained all requested documentation and required that no corrections be made to the SER. A slightly higher percentage of the first responses (7.4%) contained acceptable SER corrections to all fields requiring changes and verifying documents supporting the changes.

There were two other response types which were considered acceptable responses requiring no further action, namely a confirmation that the grant has not been used (2.2% of the first responses) and a response which is accepted by OE as a special circumstance superseding validation (.5%). Thus, in total, the first responses received were completely acceptable for 13.3 percent of the cases that had first responses (54 of 406). This finding is significantly lower than the findings in the 1976-77 validation study, as shown in the following text table:

Comparison of First Responses Received in 1976-77 Validation Studies and 1977-78 Validation Study

Response Type	1976-77	1977-78
Total	100.0	100.0
Acceptable Documentation	11.7	3.2
Acceptable SER Correction	32.9	7.4
Other Acceptable Closures	*	2.7
Unacceptable Documentation	16.7	46.5
Unacceptable SER Correction	18.7	20.0
All Other Responses	20.1	20.2

*Other closures were not specified in the 1976-77 validation.

The percentage of first responses in the 1977-78 study which contained unacceptable documentation increased substantially (increase of 29.8%) in comparison to the 1976-77 findings. Unacceptable SER corrections also increased slightly from the percentage received in the 1976-77 study.

The significant decreases in the acceptability of the 1977-78 first responses in comparison to past validation results appearing in this table are of great concern and require close examination. One factor which may explain these decreases is the fact that as the validation procedures have become more sophisticated, and as more experience has been gained in the process of detecting errors by thoroughly reviewing SERs and documents, there have been more errors uncovered on Student Eligibility Reports. This knowledge of validation may explain why the amount of acceptable SER corrections decreased. The difference in the proportion of responses containing acceptable documentation may be explained by the following procedural change. In the 1976-77 study, alternative documents were accepted in the first responses; however, in the 1977-78 study, if the student failed to provide the exact document requested, a second letter was sent again requesting the original documents which were stated. These strengthened procedures proved to be effective in many cases since often a second request for a specific document resulted in the student obtaining and providing the preferred documentation.

Of all the referral reasons reported, by institutions, those with reported errors in the number of family members in post-high school, non-taxable income, and household size exhibited the highest proportion of first responses containing completely corrected SERs (15.4%, 11.7% and 10.0% respectively).[1/] In contrast, the fewest proportion of first responses containing corrected SERs were received from students referred for suspected error in their dependency status. While it is not surprising that errors in the number of

---

1/ Citizenship referral reasons were not taken into consideration since there were so few of these referred.

members enrolled in post-high institutions and total household size should be corrected, since these items are typically not difficult to validate in the first response, it is surprising that of the first responses containing corrected SERs, cases with errors in non-taxable income were correct more often than cases with other referred discrepancies such as adjusted gross income (11.7% vs. 8.6%). Other than the findings presented above, first responses generally required similar actions within each reason for referral.

Table 4.4 displays the distribution of second responses by referral reasons for all referrals from institutions, OE, and other contractors. Data in this table are based upon 166 responses received after an incomplete or erroneous response had previously been received and processed. At the time of the second response, 17.5 percent of the responses (29 of 166) were completely acceptable. Of these acceptable responses, most of them (23 of 29) contained acceptable SER corrections. By the time of the second response, 21.7 percent of the responses were unacceptable and resulted in suspension of the student's award or consisted of some other type of response (36 of 166).[1/]

Overall, second responses increased in acceptability over first responses by only 4.2 percent. However, the greatest increase within acceptable response types was for SER corrections, which nearly doubled in size (i.e., increased from 7.4% in the first response to 13.9% in the second response). This finding indicates that the procedural letters assisting students in making SER corrections are successful. In contrast to this increase, however, the number of responses containing documents which completely verified the discrepancies referred by schools remained relatively constant (3.0% of second responses vs. 3.2% of first responses).

1/ Responses falling into the "other" category include letters that were returned-to-sender, and letters which resulted in a time extension.

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS)

*** REFERRAL REASONS ***

*** RESPONSE RESULTS ***	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
TOTAL	164	69	16	21	14	36	12	1	4	7	SC
	100.0	41.6	10.0	12.7	8.4	21.7	7.2	0.6	2.4	4.2	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	CC
	100.0	41.6	10.0	12.7	8.4	21.7	7.2	0.6	2.4	4.2	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	5	2		1		2		1			SC
	100.0	40.0		20.0		40.0		20.0			RC
	3.0	2.9		4.8		5.6		100.0			CC
	3.0	1.2		0.6		1.2		0.6			MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	23	12	1	4	2	5				3	SC
	100.0	52.2	4.3	17.4	8.7	21.7				13.0	RC
	13.9	17.4	6.6	19.0	14.4	13.9				42.9	CC
	13.9	7.2	0.6	2.4	1.2	3.0				1.8	MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE	13	8	1			3	2			1	SC
	100.0	61.5	7.7			23.1	15.4			7.7	RC
	7.6	11.6	6.6			8.3	16.7			14.3	CC
	7.8	4.8	0.6			1.8	1.2			0.6	MC
13 SEND SER TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SER											
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	1						1				SC
	100.0						100.0				RC
	0.6						8.3				CC
	0.6						0.6				MC
15 ACKNOWLEDGEMENT OF DE RESOLUTION											
21 CONTRACTOR MAKES CORRECTIONS - SER NEEDS SIGNATURE	6	2	2	1	1	1					SC
	100.0	33.3	33.3	16.7	16.7	16.7					RC
	3.6	2.9	11.1	4.8	7.1	2.8					CC
	3.6	1.2	1.2	0.6	0.6	0.6					MC
22 REQUESTING ADDITIONAL DOCUMENTS	18	7	3	1	4	4	3		1		SC
	100.0	38.9	16.7	5.6	11.1	22.2	16.7		5.6		RC
	10.8	10.1	16.7	4.8	14.3	11.1	25.0		25.0		CC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
TOTAL	166	3	2	7		4	1	1	10	SC
	100.0	1.8	1.2	4.2		2.4	0.6	0.6	6.0	RC
	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	CC
	100.0	1.8	1.2	4.2		2.4	0.6	0.6	6.0	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CONNECTIONS NECESSARY).	5									
	100.0									SC
	3.0									RC
	3.0									CC
										MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CONNECTIONS MADE	23			1						
	100.0			4.3						SC
	13.9			14.3						RC
	13.9			0.6						CC
										MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SCH BUT NOT ALL CORRECTIONS MADE	13									
	100.0									SC
	7.8									RC
	7.8									CC
										MC
13 SEND SCH TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SCH										
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	1									
	100.0									SC
	0.6									RC
	0.6									CC
										MC
15 ACKNOWLEDGEMENT OF OE RESOLUTION										
21 CONTRACTOR MAKES CORRECTIONS - SCH NEEDS SIGNATURE	6	1								
	100.0	16.7								SC
	3.6	33.3								RC
	3.6	0.6								CC
										MC
22 REQUESTING ADDITIONAL DOCUMENTS	18			1	1			1		
	100.0			5.6	5.6			5.6		SC
	10.8			14.3	25.0			10.0		RC
										CC

07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	10.8	4.2	1.8	0.6	1.2	2.4	1.8		0.6		NC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	4			3			1		1		SC
	100.0			75.0			25.0		25.0		RC
	2.4			14.3			0.3		25.0		CC
	2.4			1.8			0.6		0.6		NC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	8	1	1		1	5					SC
	100.0	12.5	12.5		14.3	62.5					RC
	4.8	1.4	5.6		7.1	13.9					CC
	4.8	0.6	0.6		0.9	3.0					NC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	8	3	1	1		2					SC
	100.0	37.5	12.5	12.5		25.0					RC
	4.8	4.3	5.6	4.8		5.6					CC
	4.8	1.8	0.6	0.6		1.2					NC
26 REQUESTING SIGNATURE ON SER	8	2				4	1				SC
	100.0	25.0				50.0	12.5				RC
	4.8	2.9				11.1	0.3				CC
	4.8	1.2				2.4	0.6				NC
27 CALL-US LETTER.....	4	3									SC
	100.0	75.0									RC
	2.4	4.3									CC
	2.4	1.8									NC
28 COMPLETELY CUSTOMIZED LETTER.....	3	2								1	SC
	100.0	66.7								33.3	RC
	1.8	2.9								14.3	CC
	1.8	1.2								0.6	NC
41 REQUESTING PROOF OF CITIZENSHIP.....											
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....											
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....											
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS											
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	29	14	4	4	4	3	3			1	SC
	100.0	48.3	13.8	13.8	14.8	10.3	10.3			3.4	RC

BEST COPY AVAILABLE

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CHEP	UN-KNOWN	IDENT-IFICA-TION	NEC	
	10.8			0.6		0.6			0.6	MC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	4			1						SC
	100.0			25.0						RC
	2.4			14.3						CC
	2.4			0.6						MC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	8									SC
	100.0									RC
	4.8									CC
	4.8									MC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	8		1	1			1			SC
	100.0		12.5	12.5			12.5			RC
	4.8		50.0	14.3			100.0			CC
	4.8		0.6	0.6			0.6			MC
26 REQUESTING SIGNATURE ON SER	8								1	SC
	100.0								12.5	RC
	4.8								10.0	CC
	4.8								0.6	MC
27 CALL-US LETTER.....	4								1	SC
	100.0								25.0	RC
	2.4								10.0	CC
	2.4								0.6	MC
28 COMPLETELY CUSTOMIZED LETTER.....	3					1				SC
	100.0					33.3				RC
	1.8					25.0				CC
	1.8					0.6				MC
41 REQUESTING PROOF OF CITIZENSHIP.....										
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....										
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....										
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS										
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	29	4	1			2			1	SC
	100.0	6.9	3.4			6.9			3.4	RC

244 BEST COPY AVAILABLE 245

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)
*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	17.5	20.3	22.2	19.0	20.0	8.3	25.0			14.3	CC
	17.5	8.4	2.4	2.4	2.4	1.8	1.8			0.6	RC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	15	6	2	2	4	5				1	SC
	100.0	40.0	13.3	13.3	26.7	33.3				6.7	RC
	9.0	8.7	11.1	9.5	20.0	13.9				14.3	CC
	9.0	3.6	1.2	1.2	2.4	3.0				0.6	RC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....											
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....											
35 ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION											
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..											
86 SEND SER TO STUDENT/PARENT.											
87 COMPLETED CALL TO.....											
88 INCOMPLETE CALL TO.....											
95 COMMUNICATION WITH THIRD PARTIES.....											
-- OTHER.....	21	7	3	4		2	1		2		SC
	100.0	33.3	14.3	19.0		9.5	4.8		9.5		RC
	12.7	10.1	16.7	19.0		5.6	8.3		50.0		CC
	12.7	4.2	1.8	2.4		1.2	0.6		1.2		RC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.4

DISTRIBUTION OF SECOND RESPONSES BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS) - CONT.
*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	MH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	MEC	
	17.5	66.7	50.0			50.0			10.0	
	17.5	1.2	0.6			1.2			0.6	CC
										MC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	15			1					1	
	100.0			6.7					6.7	SC
	9.0			14.3					10.0	MC
	9.0			0.6					0.6	CC
										MC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....										
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....										
35 ACKNOWLEDGEMENT OF DE RESOLUTION AFTER SUSPENSION										
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..										
86 SEND SER TO STUDENT/PARENT.										
87 COMPLETED CALL TO.....										
88 INCOMPLETE CALL TO.....										
95 COMMUNICATION WITH THIRD PARTIES.....										
-- OTHER.....	21			2				1	5	
	100.0			9.5				4.8	23.8	SC
	12.7			28.6				100.0	50.0	MC
	12.7			1.2				0.6	3.0	CC
										MC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

In reviewing the relationship of the referral reasons with second responses, it appears that close to half (42.9%) of the second responses from students referred for potential discrepancies in household size resulted in acceptable SER corrections. In addition, cases referred for discrepancies in non-taxable income and adjusted gross income also resulted in a proportionately high number of second responses containing acceptable SER corrections (19.0% and 17.4% respectively), than did other referral types such as taxes paid which were considerably lower (5.6%) than other referral types. Students who had been referred for discrepancies in zero/low income proportionately more often submitted unacceptable second responses resulting in award suspension. Since unacceptable responses were categorized as those in which the specific instructions for correcting errors or providing documents had not been followed, this indicates that students with errors in low income may not fully understand the procedures for correcting SER data or simply may choose not to make corrections which have been identified by the contractor.

The distribution of third responses presented in Table 4.5 displays an even greater proportion of acceptable responses than found in the second response cycle, with a substantial increase in the number of responses which contained acceptable SER corrections. Specifically, 26.7 percent (16 of 60) of the third responses consisted of acceptable SER corrections, compared to 7.4 percent in the first response and 13.9 percent in the second response. Overall, thirty percent of the responses received in reply to the third request were completely acceptable by the time of the third response. The distribution of acceptable responses within each response cycle is illustrated in the following text table:

Comparison of Response Types in Each Response Cycle in the 1977-78 Validation Study

Time of Response	Acceptable	Unacceptable
First Response	13.3	86.7
Second Response	17.5	82.5
Third Response	30.0	70.0

These results indicate that students who are given two sets of specific instructions on making SER corrections and/or providing documents are more likely to respond correctly than those who receive only one specific set of instructions. Table 4.5 indicates that, among referral reasons, cases referred for discrepancies in adjusted gross income had the highest proportion of third responses containing acceptable SER corrections (36.4%), in comparison to other common referrals reasons, i.e., dependency status (30.0%) and non-taxable income (28.6%).

This may be attributable to the fact that once the tax form has been obtained, the need for corrections to adjusted gross income are easily identifiable, whereas other items on the SER require review of multiple documents before appropriate corrections can be made. Due to the small cell sizes in this particular table, no other trends in the distribution of third responses can be ascertained. However, given the fact that the data represent institution referral cases which were initiated at all times of the contract year and not within a given time frame (such as Pre-established Criteria cases), it should be representative of the overall nature of third responses. While the average number of letters initiated by the contractor decreased, all other transactions increased. One of the factors which may have caused an increase in both letter and telephone communications made by students and parents is the fact that all letters sent to students inform them that failure to comply with the validation requests will result in suspension of the award. This statement may then provide an incentive for students to comply.

The mean number of transactions with institutions or a third party within referral reasons is presented in Table 4.6. Very few differences are apparent in the average number of transaction types for specific referrals. One interesting finding, however, is that institutions who referred cases with errors in dependency status sent an average of 2.0 letters to the validation office (excluding the letter notifying the office of the referral), whereas all other referral areas in which letters were initiated by institutions or third parties averaged only 1 letter. The discrepancy types which

TABLE 4.5

DISTRIBUTION OF THIRD RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	*** REFERRAL REASONS ***										
TOTAL	60	22	5	7	4	10	5		1	2	SC
	100.0	36.7	8.3	11.7	6.7	16.7	8.3		1.7	3.3	RC
	100.0	100.0	100.0	100.0	100.0	100.0	100.0		100.0	100.0	CC
	100.0	36.7	8.3	11.7	6.7	16.7	8.3		1.7	3.3	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY)	2										SC
	100.0										RC
	3.3										CC
	3.3										MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	16	8		2		3	1				SC
	100.0	50.0		12.5		18.8	6.3				RC
	26.7	36.4		28.6		30.0	20.0				CC
	26.7	13.3		3.3		5.0	1.7				MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEM BUT NOT ALL CORRECTIONS MADE	8	1	1	2	2	1			1		SC
	100.0	12.5	12.5	25.0	25.0	12.5			12.5		RC
	13.3	4.5	20.0	28.6	50.0	10.0			100.0		CC
	13.3	1.7	1.7	3.3	3.3	1.7			1.7		MC
13 SEND SEM TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SEI											
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT											
15 ACKNOWLEDGEMENT OF OE RESOLUTION											
21 CONTRACTOR MAKES CORRECTIONS - SEM NEEDS SIGNATURE	2				1	1					SC
	100.0				50.0	50.0					RC
	3.3				25.0	10.0					CC
	3.3				1.7	1.7					MC
22 REQUESTING ADDITIONAL DOCUMENTS											
23 REQUESTING CLARIFICATION AND SPECIAL ACTION	2	2	1				1				SC
	100.0	100.0	50.0				50.0				RC
	3.3	9.1	20.0				20.0				CC

BEST COPY AVAILABLE

FROM COPY AVAILABLE

TABLE 4.5

DISTRIBUTION OF THIRD RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
	*** REFERRAL REASONS ***									
TOTAL	60	2	2	2		2	1	1	7	SC
	100.0	3.3	3.3	3.3		3.3	1.7	1.7	11.7	RC
	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	CC
	100.0	3.3	3.3	3.3		3.3	1.7	1.7	11.7	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	2			1					1	SC
	100.0			50.0					50.0	RC
	3.3			50.0					14.3	CC
	3.3			1.7					1.7	MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	16						1		2	SC
	100.0						6.3		12.5	RC
	26.7						100.0		28.6	CC
	26.7						1.7		3.3	MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE	8		1							SC
	100.0		12.5							RC
	13.3		50.0							CC
	13.3		1.7							MC
13 SEND SER TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SER										
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT										
15 ACKNOWLEDGEMENT OF OE RESOLUTION										
21 CONTRACTOR MAKES CORRECTIONS - SER NEEDS SIGNATURE	2									SC
	100.0									RC
	3.3									CC
	3.3									MC
22 REQUESTING ADDITIONAL DOCUMENTS										
23 REQUESTING CLARIFICATION AND SPECIAL ACTION	2								1	SC
	100.0								50.0	RC
	3.3								14.3	CC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.5

DISTRIBUTION OF INIHO RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPENDENCY STATUS	ASSETS/ SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	3.3	3.3	1.7				1.7				HC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....											
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	1	1									SC
	100.0	100.0									AC
	1.7	4.5									CC
	1.7	1.7									HC
26 REQUESTING SIGNATURE ON SER	4	1		2		1				1	SC
	100.0	25.0		50.0		25.0				25.0	AC
	6.7	4.5		28.6		10.0				50.0	CC
	6.7	1.7		3.3		1.7				1.7	HC
27 CALL-US LETTER.....	2					1				1	SC
	100.0					50.0				50.0	AC
	3.3					10.0				50.0	CC
	3.3					1.7				1.7	HC
28 COMPLETELY CUSTOMIZED LETTER.....											
41 REQUESTING PROOF OF CITIZENSHIP.....											
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....											
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....											
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS											
58 SECOND INSTRUCTION TO CORRECT RESPONSE.....	4	2		1	1						SC
	100.0	50.0		25.0	25.0						AC
	6.7	9.1		14.3	25.0						CC
	6.7	3.3		1.7	1.7						HC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	7	4	3			1					SC
	100.0	57.1	42.9			14.3					AC
	11.7	18.2	60.0			10.0					CC
	11.7	6.7	5.0			1.7					HC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....											

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.5

DISTRIBUTION OF THIRD RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.
*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	REC	
	3.3								1.7	RC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....										
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	1									SC
	100.0									RC
	1.7									CC
	1.7									AC
26 REQUESTING SIGNATURE ON SER	4									SC
	100.0									RC
	6.7									CC
	6.7									AC
27 CALL-US LETTER.....	2									SC
	100.0									RC
	3.3									CC
	3.3									AC
28 COMPLETELY CUSTOMIZED LETTER.....										
41 REQUESTING PROOF OF CITIZENSHIP.....										
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....										
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....										
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS										
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	4									SC
	100.0									RC
	6.7									CC
	6.7									AC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	7		1	1		2				SC
	100.0		14.3	14.3		28.6				RC
	11.7		50.0	50.0		100.0				CC
	11.7		1.7	1.7		3.3				AC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....										

BEST COPY AVAILABLE

TABLE 4.5

DISTRIBUTION OF THIRD RESPONSES BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS)

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/ LOW INCOME	DEPEND-ENCY STATUS	ASSETS/ SAVINGS	CITI-ZEN-SHIP	PUBL HIGH ENROLL	HOUSE-HOLD SIZE
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....										
35 ACKNOWLEDGEMENT OF UR RESOLUTION AFTER SUSPENSION										
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..										
86 SEND SER TO STUDENT/PARENT.										
87 COMPLETED CALL IN.....										
88 INCOMPLETE CALL IN.....										
95 COMMUNICATION WITH THIRD PARTIES.....										
-- OTHER.....	12	3				2	3			
	100.0	25.0				16.7	25.0			
	20.0	13.6				20.0	60.0			
	20.0	5.0				3.3	5.0			

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.5

DISTRIBUTION OF THIRD RESPONSES BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.

*** REFERRAL REASONS ***

--- RESPONSE RESULTS ---	TOTAL	HM SIZE AND PHE	VET'S BENE- FITS	MEDICAL DENTAL	PRIOR ENROLL- MENT	MULT DIS- CREP	UN- KNOWN	IDENT- IFICA- TION	MEC	
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....										
35 ACKNOWLEDGEMENT OF OE RESOLUTION AFTER SUSPENSION										
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..										
86 SEND SER TO STUDENT/PARENT.										
87 COMPLETED CALL TO.....										
88 INCOMPLETE CALL TO.....										
95 COMMUNICATION WITH THIRD PARTIES.....										
-- OTHER.....	12	2					1	3		SC
	100.0	16.7					8.3	25.0		RC
	20.0	100.0					100.0	42.9		CC
	20.0	3.3					1.7	5.0		MC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

4.59

TABLE 4.6

MEAN NUMBER OF INSTITUTION/WIMEM TRANSACTIONS BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS)

--- TRANSACTION TYPE ---	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
	*** REFERRAL REASONS ***										
TOTAL	331	123	36	36	68	72	17	6	9	10	SC
											MN
LETTERS INITIATED BY VALIDATION CONTRACTOR	291	111	32	34	58	60	11	4	6	9	SC
	1.0	1.0	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.0	MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY	5	1		1	1	1				1	SC
	1.4	1.0		1.0	1.0	2.0				1.0	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR	25	4	2		4	7	1	2			SC
	1.0	1.0	1.0		1.0	1.0	1.0	1.0			MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY	49	16	4	5	9	13	6	2	3		SC
	1.2	1.1	1.0	1.0	1.2	1.2	1.0	1.0	1.7		MN

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE. OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.6

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY REFERRAL REASONS (INSTITUTION AND DE REFERRALS) - CONT.

*** REFERRAL REASONS ***

*** TRANSACTION TYPE ***	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PRIOR ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENTI-FICA-TION	MEC	
TOTAL.....	331	4	0	12		5	4	1	16	SC
										MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	291	4	0	11		4	3	1	13	SC
	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	5								1	SC
	1.4								2.0	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	25								3	SC
	1.0								1.0	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY.....	49			1		1	1		2	SC
	1.2			1.0		1.0	2.0		1.0	MN

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE! OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

4.61

BEST COPY AVAILABLE

required the greatest number of telephone calls from institutions or third parties were taxes paid (1.8) and post-high school enrollment (1.7).

Mean Number of Transactions

As stated previously, the average number of all types of transactions required per case was 4.2 transactions. Table 4.7 presents a separation of transactions taken by the validation contractor and the students (and/or parents) by each referral reason. The transaction counts in this table are based on the total of 925 cases; however, the figures presented in each cell represent duplicated counts of transactions. Of all letters sent by the validation contractor, referrals of discrepancies in zero/low income, medical/dental expenses and taxes paid required the most letters (3.5, 3.5 and 3.0 on the average, respectively), whereas referrals of cases with suspected discrepancies in veteran's benefits required the fewest transactions (an average of 2.1 letters to the student per case).[1/] Both referrals of asset discrepancies and medical/dental discrepancies are typically difficult items to validate, in that substantiating documentation supporting these items is often difficult to obtain. This factor most likely accounts for the amount of transactions taken by the validation contractor in cases referred for these reasons. In contrast, letters initiated by the students or parents were most frequently sent from individuals referred for multiple discrepancies (2.2 per respondent), suspected errors in reported assets and savings (averaging 2.1 per respondent), and cases reported for errors in both the household size and number enrolled in post-high school (2.1 per respondent).[2/] Of particular interest is the fact that in the 1976-77 institution referral study,

[1/] While prior enrollment referrals actually required the fewest transactions per case (1.3) it was felt that this total figure is unstable since only 3 cases appear.

[2/] Cases recorded with multiple discrepancies as the referral reason are those in which more than three discrepancies were referred. In these instances, two of the discrepancies are recorded separately and any remaining discrepancies are recorded as multiples.

TABLE 4.7

MEAN NUMBER OF STUDENT/PARENT TRANSACTIONS BY REFERRAL MEASURES (INSTITUTION AND OE REFERRALS)
*** REFERRAL MEASURES ***

*** TRANSACTION TYPE ***	TOTAL	ADJUSTED GROSS INCOME	TAXES PAID	NON-TAXABLE INCOME	ZERO/LOW INCOME	DEPENDENCY STATUS	ASSETS/SAVINGS	CITIZENSHIP	POST HIGH ENROLL	HOUSEHOLD SIZE	
TOTAL.....	925	337	69	151	113	200	43	19	21	46	SC
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	925	337	69	151	113	200	43	19	21	46	SC
	2.8	2.7	3.0	2.4	3.3	2.9	2.7	2.4	2.9	2.7	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	467	186	40	78	56	91	28	8	14	20	SC
	1.8	1.7	1.7	1.6	1.6	1.8	2.1	1.5	1.9	1.5	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	9	3	1	1	2	1					SC
	1.8	1.7	2.0	1.0	1.0	1.0					MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	252	101	24	43	29	49	14	1	5	9	SC
	1.9	1.6	1.9	1.8	2.2	1.9	1.9	1.0	4.2	1.9	MN

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE; OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.7

MEAN NUMBER OF STUDENT/PARENT TRANSACTIONS BY REFERRAL REASONS (INSTITUTION AND OE REFERRALS) - CONT.
*** REFERRAL REASONS ***

--- TRANSACTION TYPE ---	TOTAL	HH SIZE AND PHE	VET'S BENE-FITS	MEDICAL DENTAL	PHIUM ENROLL-MENT	MULT DIS-CREP	UN-KNOWN	IDENT-IFICA-TION	NEC	
TOTAL.....	925	13	27	19	3	10	23	1	47	SC
										MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	925	13	27	19	3	10	23	1	47	SC
	2.8	2.8	2.1	3.5	1.3	2.6	2.9	4.0	2.7	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	467	8	5	17	2	6	8	1	28	SC
	1.6	2.1	2.0	1.8	1.3	2.2	1.9	5.0	2.0	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	9			1					1	SC
	1.8			6.0					1.0	MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	252	6		10	2	5	4		9	SC
	1.9	1.2		2.1	1.0	3.2	1.5		3.0	MN

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE; OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

asset referrals also exhibited a proportionately higher number of letters from students than did other referrals (2.0 on the average). Cases referred with multiple discrepancies are generally expected to require numerous transactions since the higher numbers of questionable items require correspondingly greater amounts of documentation or correction to the SER, and thus more effort on the part of the individual. Along with this finding, it is not surprising that of all telephone calls initiated by students/parents, cases referred for multiple discrepancies exhibited among the highest number of calls (3.2 calls on the average). One interesting observation concerning the types of calls initiated by applicants and parents is that the greatest number of calls were from individuals referred for discrepancies in the number of persons enrolled in post-high school (average of 4.2 calls). This finding indicates that perhaps students are confused about the definition of "post-high school" or may not fully understand the requirement that the number to be reported in this category (according to Basic Grant policy for 1977-78 applications) is the number of persons who planned <u>at the time the application was filed</u> to attend post-high schools.

4.4: PRE-ESTABLISHED CRITERIA STUDY RESULTS

The validation procedures implemented both for cases selected according to the contractor's Pre-established Criteria and ACT's criteria were identical to those used for institution referral cases, in terms of types of contacts (form letters, additional specialized requests) and the standard number of contacts (at least three requests for data). However, there was a major difference in the manner in which Pre-established Criteria cases were initiated. Unlike institution referral cases, in which payments of the Basic Grant award were halted during the course of validation by means of instructing the institution to withhold funds, Pre-established Criteria cases were not subjected to this cessation of payment. Instead, at the time of selection from the Basic Grant data base, an automatic "hold" was placed on the student's file preventing him or her from making any further transactions at the BEOG processing office. Since this hold was placed at the time of sample selection,

it is obvious that it could not prevent applicants from obtaining their 1977-78 grant, but rather was effective in preventing these applicants from obtaining a grant for the next academic year and from correcting their 1977-78 SER before validation had been completed. This placement of students into "hold status" was implemented both for institutionally referred cases and for Pre-established Criteria cases, and was intended to serve as a stimulus for students to comply with the validation requests and to deter students from making unsolicited corrections during validation.

The data presented in this section represent transactions taken on all Pre-established Criteria and ACT criteria cases including those 263 cases which were still undergoing validation at the time this report was prepared. All references to the Pre-established Criteria Study will include cases selected by the validation contractor and by ACT.

It should be noted that the procedural letters utilized in the 1977-78 Pre-established Criteria validation were similar to those developed midway through the previous validation study. The aim of these letters was to specify, in as much detail as possible, the exact definitions of SER items and to allow spaces in the letters to insert individual financial data to inform study participants of the exact information which should, by definition, be entered on Student Eligibility Reports. The effectiveness of these procedures and the number of contacts with students are the critical issues which are being studied, and thus the results of the procedures are given in the tables and discussions which follow.

Frequency of Transactions

Table 4.8 presents the frequency of transactions taken in the Pre-established Criteria Study by the actual discrepancies uncovered during the course of validation. All counts of transactions within each discrepancy type are duplicated, i.e., a transaction taken for a case with errors in two SER items is counted twice. In total, 51,983 transactions were taken for 9,126 cases resulting in an average of 5.7 transactions per case, compared to an average of 4.2

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
TOTAL	51,983	14,519	18,797	154	597		6,538	16,847	SV
	100.0	27.9	36.2	0.3	1.1		12.6	32.4	RV
	100.0	100.0	100.0	100.0	100.0		100.0	100.0	CV
	100.0	27.9	36.2	0.3	1.1		12.6	32.4	MV
	5.7	6.2	6.1	7.7	6.7		6.7	6.2	MM
INITIAL REQUEST FOR DATA	9,126	2,358	3,043	28	89		988	2,716	SV
	100.0	25.8	33.3	0.2	1.0		10.7	29.8	RV
	17.6	16.2	16.4	13.0	14.9		15.0	16.1	CV
	17.6	4.5	5.9		0.2		1.9	5.2	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
FIRST FOLLOW-UP TO INITIAL REQUEST	5,418	1,002	1,221	8	20		340	1,176	SV
	100.0	18.5	22.5	0.1	0.4		6.3	21.7	RV
	10.4	6.9	6.5	5.2	3.4		5.2	7.0	CV
	10.4	1.9	2.3				0.7	2.3	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
SECOND FOLLOW-UP TO INITITAL REQUEST	3,247	330	390	2	9		119	378	SV
	100.0	10.2	12.0	0.1	0.3		3.7	11.6	RV
	6.2	2.3	2.1	1.3	1.5		1.8	2.2	CV
	6.2	0.4	0.4				0.2	0.7	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
REQUEST FOR ADDITIONAL DATA	73	16	23				8	18	SV
	100.0	21.9	31.5				11.0	24.7	RV
	0.1	0.1	0.1				0.1	0.1	CV
	0.1								MV
	1.0	1.0	1.0				1.0	1.0	MM
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE	356	111	131	1	7		55	129	SV
	100.0	31.2	36.8	0.3	2.0		15.4	36.2	RV
	0.7	0.8	0.7	0.6	1.2		0.8	0.8	CV
	0.7	0.2	0.3				0.1	0.2	MV
	1.1	1.2	1.1	1.0	1.0		1.1	1.2	MM
FOLLOW-UP TO AN ADDITIONAL REQUEST	68	4	4		1		4	5	SV
	100.0	5.9	5.9		1.5		5.9	7.4	RV
	0.1				0.2		0.1		CV
	0.1								MV
	1.0	1.0	1.0		1.0		1.0	1.0	MM
ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY)	483		1				1		SV
	100.0		0.2				0.2		RV

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT OF ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (80.00 87)	MINIMUM SIZE (84)	VETTED FEMALE (23)	NON-VISUAL (19, 20)	APPLICANT SATISFIES (66)	PRIOR ENROLLMENT (69)	OTHER (20.03 20.00)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UNRESOLVED	
TOTAL	21,962	8,296	8,564	36	566	96		1,343	29,045	88	2,221	bs
	100.0	12.1	12.9	0.1	1.0	0.1		3.8	48.2	0.2	4.3	ns
	100.0	100.0	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	Cv
	100.0	12.1	12.9	0.1	1.0	0.1		3.0	48.2	0.2	4.3	ns
	3.7	6.4	6.9	9.8	5.0	7.1		0.2	5.3	0.8	0.0	ns
INITIAL REQUEST FOR DATA	9,126	977	1,012	4	98	9		247	4,715	13	370	bs
	100.0	10.7	11.1		1.0	0.1		2.7	51.7	0.1	4.1	ns
	17.6	15.5	15.5	11.1	17.6	14.1		10.0	10.8	14.8	16.7	Cv
	17.6	1.9	1.9		0.6			0.5	9.1		0.7	ns
	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	ns
FIRST FOLLOW-UP TO INITIAL REQUEST	3,410	448	454	1	30	4		105	3,439	4	100	bs
	100.0	6.3	6.4		0.6	0.1		1.9	87.5	0.1	3.4	ns
	10.4	7.1	6.9	2.8	6.7	6.3		8.8	14.6	8.8	6.4	Cv
	10.4	0.9	0.9		0.1			0.2	7.8		0.4	ns
	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	ns
SECOND FOLLOW-UP TO INITIAL REQUEST	2,247	152	124		8	1		29	2,040	2	100	bs
	100.0	6.7	6.1		0.4			0.9	81.6	0.1	3.1	ns
	6.2	2.4	2.0		1.4	1.0		1.9	10.6	2.3	4.5	Cv
	6.2	0.3	0.2					0.1	5.1		0.2	ns
	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0	1.0	ns
REQUEST FOR ADDITIONAL DATA	72	6	5		1				19	2	20	bs
	100.0	5.6	6.8		1.4				26.8	2.7	28.6	ns
	0.1	0.1	0.1		0.6				0.1	2.3	1.2	Cv
	0.1										0.1	ns
	1.0	1.0	1.0		1.0				1.1	1.0	1.0	ns
REQUEST FOR ADDITIONAL DATA AFTER CLOSURE	256	47	44	1	2	2		25	171	1		bs
	100.0	13.2	13.6	0.3	2.8	0.6		7.0	48.0	0.3		ns
	0.7	0.7	0.7	2.8	1.2	2.1		1.0	0.7	1.1		Cv
	0.7	0.1	0.1						0.3			ns
	1.1	1.1	1.1	1.0	1.0	1.0		1.1	1.1	1.0		ns
FOLLOW-UP TO AN ADDITIONAL REQUEST	66	3	4			1		2	12		46	bs
	100.0	4.6	6.0			1.5		4.0	17.6		67.6	ns
	0.3		0.1			1.0		0.2			2.1	Cv
	0.3										0.1	ns
	1.0	1.0	1.0			1.0		1.0	1.0		1.0	ns
ACKNOWLEDGMENT OF VALID DOCUMENTATION AND CORRECTIONS NECESSARY	469	1							463			bs
	100.0	0.2							98.6			ns

DISTRIB

PERFORMED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12:13)	FAMILY PAID (16:17 18)	DEPEND STATUS (82)	ASSETS (21)	CITIZEN-SHIP (81)	NON-TAXABLE INCOME (68:69 10:11)	PORTIONS EARNED (14:15)	
	0.0								CV
	0.0								AV
	1.0		1.0				1.0		MM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CONNECTIONS MADE	2,970	1,745	2,207	12	74		693	2,043	SV
	100.0	58.7	75.6	0.4	2.5		23.3	68.7	AV
	5.7	12.0	12.0	7.8	14.4		10.6	12.1	CV
	5.7	3.4	4.3		0.1		1.3	3.9	AV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER OUT BUT ALL CONNECTIONS MADE	1,128	578	797	7	10		201	640	SV
	100.0	50.2	70.6	0.6	0.9		17.8	56.6	AV
	2.2	3.9	4.2	4.5	1.7		4.3	3.8	CV
	2.2	1.1	1.5				0.5	1.2	AV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM
SEND SER TO [illegible] SEND LETTER TO INSTITUTION TO EXPECT NEW SER									
ACKNOWLEDGEMENT OF NON-USE OF GRANT	170	1	1					1	SV
	100.0	0.5	0.5					0.5	AV
	0.4								CV
	0.4								AV
	1.0	1.0	1.0					1.0	MM
ACKNOWLEDGEMENT OF [illegible] RESOLUTION	22	10	9	1			3	7	SV
	100.0	38.3	42.1	2.8			9.1	21.2	AV
	0.1	0.1		0.6					CV
	0.1								AV
	1.0	1.0	1.0	1.0			1.0	1.0	MM
CONNECTIONS TOO LATE FOR [illegible]									
CONNECTION MADE CONNECTIONS - SER MISSING	960	283	309	1	9		88	330	SV
	100.0	48.8	91.2	0.2	0.9		15.3	56.7	AV
	1.1	1.9	2.0	0.6	0.8		1.4	2.8	CV
	1.1	0.5	0.7				0.2	0.5	AV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MM

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 29,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	0.9								1.9			CV
	0.9								0.9			RV
	1.0	1.0							1.0			RM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CONNECTIONS MADE	2,974	732	756	3	74	9		137	4			SV
	100.0	24.6	25.3	0.1	2.5	0.3		4.6	0.1			RV
	5.7	11.6	11.6	0.3	14.6	14.1		0.9				CV
	5.7	1.4	1.5		0.1			0.3				RV
	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0			RM
ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNATURE BUT NOT ALL CONNECTIONS MADE	1,135	229	230		10	1		85	75	1	61	SV
	100.0	20.2	20.3		0.9	0.1		7.5	6.6	0.1	5.4	RV
	2.2	3.0	3.0		1.9	1.6		5.5	0.3	1.1	2.7	CV
	2.2	0.4	0.5					0.2	0.1		0.1	RV
	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0	1.1	RM
SEND SER U IGNAT SEND LETTER TO INSTITUTION TO EXPECT NE SEI												
ACKNOWLEDGEMENT OF NON-USE OF GRANT	196							1	195			SV
	100.0							0.5	99.5			RV
	2.4							0.1	0.8			CV
	0.4								0.4			RV
	1.0							1.0	1.0			RM
ACKNOWLEDGEMENT OF DE RESOLUTION	33	1	5					15	22			SV
	100.0	3.0	15.2					45.5	66.7			RV
	0.1		0.1					1.0	0.1			CV
	0.1											RV
	1.0	1.0	1.0					1.0	1.0			RM
CONNECTION TOO LATE FOR LOAN (24 MAY)												
CONTRACTS MADE CONNECTION - SER NEEDS SIGNATURE	382	189	121		3	2		12	114		13	SV
	100.0	18.7	20.0		0.4	0.3		2.1	19.6		2.2	RV
	1.1	1.7	1.0		1.0	2.1		0.8	0.5		0.8	CV
	1.1	0.8	0.6						0.2			RV
	1.0	1.0	1.0		1.0	1.0		1.0	1.0		1.0	RM

STATISTA

-END-

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	POSITIONS EARNED (14.15)	
REQUESTING ADDITIONAL DOCUMENTS.....	2,340	548	602	5	10		226	660	SV
	100.0	23.4	25.6	0.2	0.4		9.6	28.1	RV
	4.5	3.8	3.9	3.2	3.8		3.5	3.9	CV
	4.5	1.1	1.3				0.4	1.3	RU
	1.1	1.1	1.1	1.0	1.0		1.0	1.1	RR
REQUESTING CLARIFICATION AND SPECIAL ACTION.....	581	153	249	1	7		155	179	SV
	100.0	27.3	40.8	0.2	1.6		27.6	31.9	RV
	1.1	1.1	1.2	0.6	1.2		2.4	1.1	CV
	1.1	0.3	0.4				0.3	0.3	RU
	1.0	1.0	1.0	1.0	1.4		1.0	1.0	RR
REQUESTING CLARIFICATION OF INCOME ON ASSETS.....	114	17	19		17		17	29	SV
	100.0	14.9	16.7		14.9		14.9	25.4	RV
	0.2	0.1	0.1		2.0		0.3	0.2	CV
	0.2							0.1	RU
	1.0	1.1	1.0		1.1		1.1	1.1	RR
MULTIPLE REQUESTS FOR CLARIFICATION.....	2,103	670	910	8	33		340	759	SV
	100.0	32.1	43.6	0.4	1.6		16.2	36.1	RV
	4.0	4.7	4.9	5.2	5.3		5.2	4.5	CV
	4.0	1.3	1.6		0.1		0.7	1.5	RU
	1.0	1.0	1.0	1.1	1.0		1.0	1.0	RR
REQUESTING SIGNATURE ON SER...	294	152	172	1	6		37	204	SV
	100.0	51.7	58.5	0.3	0.7		12.6	69.4	RV
	0.6	1.8	0.9	0.6	0.3		0.6	1.2	CV
	0.6	0.3	0.3				0.1	0.4	RU
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR
CALL-US LETTER.....	110	24	32	4	1		19	37	SV
	100.0	21.8	29.1	3.6	0.9		17.3	33.6	RV
	0.2	0.2	0.2	2.6	0.2		0.3	0.2	CV
	0.2		0.1					0.1	RU
	1.0	1.0	1.0	1.0	1.0		1.1	1.0	RR
COMPLETELY CUSTOMIZED LETTER.....	65	21	27	2	2		14	27	SV
	100.0	24.7	31.8	2.4	3.3		16.5	31.8	RV
	0.2	0.1	0.1	1.3	0.3		0.2	0.2	CV
	0.2		0.1					0.1	RU
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR

AWARD SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL

03/27/78 -129- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
REQUESTING ADDITIONAL DOCUMENTS.....	2,346	241	248	2	23			62	1,279	5	100	SV
	100.0	10.3	10.6	0.1	1.1			2.6	54.5	0.2	6.8	RV
	4.5	3.0	3.0	5.6	4.8			4.0	5.1	3.7	7.2	CV
	4.5	0.5	0.5					0.1	2.5		0.3	MV
	1.1	1.1	1.1	1.0	1.1			1.0	1.0	1.3	1.1	MN
REQUESTING CLARIFICATION AND SPECIAL ACTION.....	561	107	99		8			16	176		46	SV
	100.0	19.1	17.6		1.4			2.9	31.4		8.2	RV
	1.1	1.7	1.5		1.5			1.0	0.7		2.1	CV
	1.1	0.2	0.2						0.3		0.1	MV
	1.0	1.0	1.0		1.0			1.1	1.0		1.1	MN
REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	114	9	20		2	2		4	53		11	SV
	100.0	7.9	17.5		1.8	1.8		3.5	46.5		9.6	RV
	0.2	0.1	0.3		0.4	3.1		0.3	0.2		0.5	CV
	0.2								0.1			MV
	1.0	1.1	1.1		1.0	1.0		1.0	1.0		1.1	MN
MULTIPLE REQUESTS FOR CLARIFICATION.....	2,183	304	314	2	13	4		77	808	3	157	SV
	100.0	14.5	14.9	0.1	0.7	0.2		3.7	38.4	0.1	7.5	RV
	4.0	4.0	4.0	5.6	2.9	6.3		5.0	3.2	3.4	7.1	CV
	4.0	0.6	0.6					0.1	1.6		0.3	MV
	1.0	1.0	1.0	1.0	1.0	1.0		1.1	1.0	1.0	1.1	MN
REQUESTING SIGNATURE OR SER...	299	63	81	1	4			7	43	1	10	SV
	100.0	21.4	28.7	0.3	1.4			2.4	14.6	0.3	3.4	RV
	0.6	1.0	0.9	2.8	0.8			0.5	0.2	1.1	0.5	CV
	0.6	0.1	0.1						0.1			MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0	1.0	1.0	MN
CALL-US LETTER.....	110	16	20	1	3	1		4	51	1	28	SV
	100.0	14.5	18.2	0.9	2.7	0.9		3.6	28.2	0.9	25.5	RV
	0.2	0.3	0.3	2.8	0.8	1.6		0.3	0.1	1.1	1.3	CV
	0.2								0.1		0.1	MV
	1.0	1.0	1.0	1.0	1.0	1.0		1.0	1.0	1.0	1.0	MN
COMPLETELY CUSTOMIZED LETTER.....	85	13	19	2	3			13	21	7	15	SV
	100.0	15.3	22.4	2.4	3.5			15.3	24.7	8.2	17.6	RV
	0.2	0.2	0.3	5.6	1.2			0.8	0.1	0.8	0.7	CV
	0.2											MV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0	1.0	1.0	MN

GRAND SUSPENSION FOR TOTAL NON-RESPONSE OR NON-RESPONSE TO ADDITIONAL

07/27/78

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
REQUEST	3,484	82	101	1	3		31	93	SV
	100.0	2.4	2.9		0.1		0.9	2.7	RV
	6.7	0.6	0.3	0.6	0.8		0.5	0.6	CV
	6.7	0.2	0.2				0.1	0.2	RV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE	459	14	18		1		14	15	SV
	100.0	3.1	3.9		0.2		3.1	3.3	RV
	0.9	0.1	0.1		0.2		0.2	0.1	CV
	0.9								RV
	1.0	1.0	1.0		1.0		1.0	1.0	RR
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT									
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION	21								SV
	100.0								RV
									CV
									RV
	1.0								RR
ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION	214	125	104	1	9		60	144	SV
	100.0	58.4	76.6	0.5	4.2		28.0	67.3	RV
	6.4	0.9	0.9	0.6	1.3		0.9	0.9	CV
	6.4	0.2	0.3				0.1	0.3	RV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	RR
ACKNOWLEDGEMENT OF DL RESOLUTION AFTER SUSPENSION									
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION	0								SV
	100.0								RV
									CV
									RV
	1.1								RR
REQUESTING PROOF OF CITIZENSHIP									
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS	20		1	1			1		SV
	100.0		5.0	5.0			5.0		RV
				0.6					CV

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 26,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
REQUEST.....	3,484	32	36		4			8	3,362			SV
	100.0	0.9	1.0		0.1			0.2	96.5			RV
	6.7	0.5	0.6		0.8			0.5	13.4			CV
	6.7	0.1	0.1						6.5			RV
	1.0	1.0	1.0		1.0			1.0	1.0			RN
AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	459	7	8	1	2			2	430			SV
	100.0	1.5	1.7	0.2	0.4			0.4	93.7			RV
	0.9	0.1	0.1	2.8	0.4			0.1	1.7			CV
	0.9								0.8			RV
	1.0	1.0	1.0	1.0	1.0			1.0	1.0			RN
CLOSE CASE - UNABLE TO CONTACT STUDENT/PARENT.....												
ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....	21								21			SV
	100.0								100.0			RV
									0.1			CV
	1.0											RV
									1.0			RN
ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....	214	52	62	1	8	1		19				SV
	100.0	24.3	29.0	0.5	3.7	0.5		8.9				RV
	6.4	0.8	0.9	2.8	1.5	1.6		1.2				CV
	6.4	0.1	0.1									RV
	1.0	1.0	1.0	1.0	1.0	1.0		1.1				RN
ACKNOWLEDGEMENT OF OR RESOLUTION AFTER SUSPENSION...												
ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION.....	8								8			SV
	100.0								100.0			RV
												CV
	1.1								1.1			RV
												RN
REQUESTING PROOF OF CITIZENSHIP.....												
REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	20		1						12	8		SV
	100.0		5.0						60.0	30.0		RV
										0.3		CV

07/27/78

-2000-

PREPARED BY APPLIED MANAGEMENT SCIENCES

4.75

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- TRANSACTION ---	TOTAL	ADJ GROSS INC (12-13)	TAXES PAID (16-17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME 08-09 10-11)	PORTIONS EARNED (14-15)	
	1.0		1.0	1.0			1.0		MN MAN
REQUESTING CHANGE OF DEPENDENCY STATUS.....	4			1			1		SV
	100.0			25.0			25.0		MV
				0.6					CV
									MV
	1.0			1.0			1.0		MAN
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....									
SECOND INSTRUCTION TO CORRECT RESPONSE.....	270	66	83	1	4		44	77	SV
	100.0	24.4	30.7	0.4	1.5		16.3	28.5	MV
	0.5	0.5	0.4	0.6	0.7		0.7	0.5	CV
	0.5	0.1	0.2				0.1	0.1	MV
	1.0	1.0	1.0	1.0	1.0		1.0	1.0	MAN
TIME EXTENSION.....	421	147	173		3		88	156	SV
	100.0	34.9	41.1		0.7		20.9	37.1	MV
	0.8	1.0	0.9		0.5		1.3	0.9	CV
	0.8	0.3	0.3				0.2	0.3	MV
	1.1	1.1	1.1		1.0		1.1	1.1	MAN
RETURN TO SENDER.....	904	66	87				30	70	SV
	100.0	7.3	9.6				3.3	8.6	MV
	1.7	0.5	0.5				0.5	0.5	CV
	1.7	0.1	0.2				0.1	0.2	MV
	1.2	1.2	1.2				1.3	1.2	MAN
CLARIFICATION PRIOR TO RESPONSE.....	707	222	299	6	17		117	270	SV
	100.0	31.4	42.3	0.8	2.4		16.5	38.2	MV
	1.4	1.5	1.6	3.9	2.8		1.8	1.6	CV
	1.4	0.4	0.6				0.2	0.5	MV
	1.1	1.2	1.2	1.2	1.2		1.2	1.2	MAN
CLARIFICATION NOT ELSEWHERE CLASSIFIED.....	1,717	699	946	12	41		401	766	SV
	100.0	40.7	55.1	0.7	2.4		23.4	44.6	MV
	3.3	4.8	5.8	7.8	6.7		6.1	4.5	CV
	3.3	1.3	1.8		0.1		0.8	1.5	MV
	1.4	1.4	1.4	1.7	1.8		1.5	1.4	MAN
CALL IN RESPONSE TO CALL-US LETTER OR WAC LETTER.....	139	44	73	3	2		43	58	SV
	100.0	31.7	52.5	2.2	1.4		30.9	36.8	MV
	0.3	0.3	0.4	1.9	0.3		0.7	0.3	CV

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 26,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	1.0		1.0						1.0		1.0	MV MM
REQUESTING CHANGE OF DEPENDENCY STATUS.....	4 100.0								3 75.0			SV RV CV MV MM
	1.0								1.0			
REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS.....												
SECOND INSTRUCTION TO CORRECT RESPONSE.....	270 100.0 0.5 0.5 1.0	30 11.1 0.5 0.1 1.0	32 11.9 0.5 0.1 1.0			1 0.4 1.0 1.0		12 4.4 0.8 1.0	115 42.6 0.5 0.2 1.0	1 0.4 1.1 1.0	45 16.7 2.0 0.1 1.0	SV RV CV MV MM
TIME EXTENSION.....	421 100.0 0.8 0.8 1.1	68 16.2 1.1 0.1 1.1	68 16.2 1.0 0.1 1.1		3 0.7 0.0 1.0			15 3.6 1.0 1.1	161 38.2 0.6 0.3 1.1		25 5.9 1.1 1.1	SV RV CV MV MM
RETURN TO SENDER.....	904 100.0 1.7 1.7 1.2	26 2.9 0.4 0.1 1.2	30 3.3 0.5 0.1 1.2		6 0.6 0.6 1.0			5 0.6 0.3 1.1	716 79.2 2.9 1.4 1.2		78 8.6 3.5 0.2 1.3	SV RV CV MV MM
CLARIFICATION, PRIOR TO RESPONSE.....	707 100.0 1.4 1.4 1.1	107 15.1 1.7 0.2 1.2	109 15.4 1.7 0.2 1.2	1 0.1 2.8 1.0	9 1.3 1.7 1.1			27 3.8 1.7 0.1 1.1	293 41.4 1.2 0.6 1.1	1 0.1 1.1 1.0	22 3.1 1.0 1.1	SV RV CV MV MM
CLARIFICATION, NOT ELSEWHERE CLASSIFIED.....	1,717 100.0 3.3 3.3 1.4	300 17.5 4.8 0.6 1.8	324 18.9 5.0 0.6 1.5	2 0.1 5.6 1.0	16 1.0 3.4 1.3	2 0.1 3.1 1.0		71 4.1 4.6 0.1 1.4	383 22.3 1.5 0.7 1.3	8 0.5 9.1 1.6	94 5.5 4.2 0.2 1.3	SV RV CV MV MM
CALL IN RESPONSE TO CALL-US LETTER OR WAC LETTER.....	139 100.0 0.3	21 15.1 0.3	26 18.7 0.4	1 0.7 2.8	3 2.2 0.0	1 0.7 1.0		5 3.6 0.3	16 11.5 0.1		21 15.1 0.9	SV RV CV

07/27/78 -245- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.8

TABLE 227: FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
	0.3	0.1	0.1				0.1	0.1	MV
	1.0	1.0	1.0	1.0	1.0		1.1	1.0	MN
SEND SER TO STUDENT/PARENT....	145	43	48		4		20	45	SV
	100.0	29.7	33.1		2.8		13.8	31.0	MV
	0.3	0.3	0.3		0.7		0.3	0.3	CV
	0.3	0.1	0.1					0.1	MV
	1.1	1.0	1.0		1.0		1.1	1.0	MN
COMPLETED CALL TO STUDENT/PARENT.....	27	12	16				7	17	SV
	100.0	44.4	59.3				25.9	63.0	MV
	0.1	0.1	0.1				0.1	0.1	CV
	0.1								MV
	1.0	1.1	1.1				1.0	1.1	MN
INCOMPLETE CALL TO STUDENT/PARENT.....	8	1	3					3	SV
	100.0	12.5	37.5					37.5	MV
									CV
									MV
	1.6	1.0	1.5					1.5	MN
INCOMING MAIL.....	12,635	4,592	5,964	58	191		2,099	5,383	SV
	100.0	36.3	47.2	0.4	1.5		16.6	42.6	MV
	24.3	31.6	31.7	32.5	32.8		32.1	31.8	CV
	24.3	8.8	11.5	0.1	0.4		4.0	10.3	MV
	1.8	2.0	1.9	2.6	2.6		2.2	2.0	MN
INCOMING MAIL AFTER CLOSURE...	1,494	385	488	5	24		201	440	SV
	100.0	25.8	32.7	0.3	1.6		13.5	29.5	MV
	2.9	2.7	2.6	3.2	4.8		3.1	2.6	CV
	2.9	0.7	0.9				0.4	0.8	MV
	1.2	1.3	1.3	1.7	1.5		1.2	1.3	MN
COMMUNICATION WITH THIRD PARTIES.....									

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS;
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.8

FREQUENCY OF TRANSACTIONS WITH STUDENT/PARENT BY ACTUAL DISCREPANCIES (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES:

--- TRANSACTIONS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	0.3		0.1									MV
	1.0	1.1	1.0	1.0	1.0	1.0		1.0	1.1		1.1	MN
SEND SER TO STUDENT/PARENT....	145	20	21		2			6	68	1	13	SV
	100.0	13.8	14.5		1.4			4.1	46.9	0.7	9.0	MV
	0.3	0.3	0.3		0.4			0.4	0.3	1.1	0.6	CV
	0.3								0.1			MV
	1.1	1.1	1.0		2.0			1.2	1.1	1.0	1.1	MN
COMPLETED CALL TO STUDENT/PARENT.....	27	1	2					1	7			SV
	100.0	3.7	7.4					3.7	25.9			MV
	0.1							0.1				CV
	0.1											MV
	1.0	1.0	1.0					1.0	1.0			MN
INCOMPLETE CALL TO STUDENT/PARENT.....	8		2						5			SV
	100.0		25.0						62.5			MV
												CV
												MV
	1.6		2.0						1.7			MN
INCOMING MAIL.....	12,635	2,006	2,093	11	158	19		483	4,083	31	688	SV
	100.0	15.9	16.6	0.1	1.3	0.2		3.8	32.3	0.2	5.4	MV
	24.3	31.9	32.8	30.6	30.3	29.7		31.3	16.3	35.2	31.8	CV
	24.3	3.9	4.0		0.3			0.9	7.9	0.1	1.3	MV
	1.8	2.1	2.1	2.8	1.8	2.1		2.0	1.5	2.4	2.0	MN
INCOMING MAIL AFTER CLOSURE...	1,494	166	171	2	21	4		47	834	4		SV
	100.0	11.1	11.4	0.1	1.4	0.3		3.1	55.8	0.3		MV
	2.9	2.6	2.6	5.6	4.0	6.3		3.0	3.3	4.5		CV
	2.9	0.3	0.3					0.1	1.6			MV
	1.2	1.3	1.3	2.0	1.5	1.3		1.3	1.2	1.3		MN
COMMUNICATION WITH THIRD PARTIES.....												

NOTE: TOTAL COLUMN REPRESENTS UNDUPLICATED COUNT OF TRANSACTIONS;
CELL ENTRIES ARE DUPLICATED COUNTS.

4.79

BEST COPY AVAILABLE

transactions per case required for referred cases (as previously discussed). It should be noted that institution referrals are opened throughout the academic year and tend to peak at the end of the year. Therefore, the lower average number of transactions is probably due to the fact that the majority of referral cases have not completed the validation process at the time this report was prepared.

Of the total transactions, nearly half (48.2%) were taken on cases which resulted in no discrepancies in the Student Eligibility Reports. Cases falling into this category were those in which the validation revealed that all SER entries were correct as indicated by the documents received and those in which validation was halted due to student's non-response or the receipt of an unacceptable response, and thus discrepancies could not be determined. In reviewing all other discrepancy types, proportionately more transactions occurred for cases with discrepancies in taxes paid (36.2%), portions of earned income (32.4%), and adjusted gross income (27.9%). The preponderance of transactions for these items can be explained by a procedure implemented to validate income and taxes. Specifically, in instances where study participants could not (or would not) provide a copy of the Federal Income Tax Return, income was verified by means of reviewing W-2 statements. By reviewing W-2 statements, many errors in the portions of earned income were subsequently discovered. In order to verify the amount of Federal taxes paid, without reviewing the Federal Tax Return, an alternate procedure was instituted which consisted of the contractor calculating the amount of taxes paid by using the exemptions and sum of the W-2 statements. Once the contractor calculated the taxes, the applicant or parent was sent a letter specifying the calculated amount and requesting that the applicant review the calculation. Also, there were many instances in which students were contacted and specifically asked to send a statement verifying the number of exemptions claimed, so that this calculation could be done. Thus, this letter resulted in extra transactions. Utilization of this procedure was most likely a significant factor in resolving cases which may have, in past

validations, been closed for an incomplete response. The proportion of all transactions taken for the other main SER items in question, i.e., nontaxable income, household size and number in post-high school, were very similar (12.6%, 12.6% and 12.1%, respectively).

Examination of the frequency of each type of transaction reveals that initial requests, and all types of additional requests, were the most frequent transactions (17.6% and 12.4%, respectively). This table further indicates that of the 9,126 students who received the initial letter, over half (5,418) required a first follow-up transaction. This pattern was repeated for persons who received the first follow-up; i.e., nearly sixty percent (3,247 of 5,418) of the students who received first follow-ups also received a second follow-up. It is not surprising, then, that of all students who received both follow-up letters the greatest number of transactions were taken in the instances where no discrepancies were uncovered (14.6% of the first follow-up transactions and 10.6% of the second follow-up transactions). Among those cases in which the actual discrepancies were determined, first follow-up letters were most frequently sent to students with discrepancies in post-high school enrollment (7.1%) and portions of earned income (7.0%). Second follow-ups were sent most frequently to students with discrepancies also in post-high school enrollment and adjusted gross income (2.4% and 2.3%, respectively). In order to examine the overall frequency of follow-up letters, a comparison of the 1977-78 study results with the 1976-77 validation study results is shown in the following text table:

Comparison of Follow-Up Rates Between the 1976-77 and 1977-78 Validation Studies

	1976-77	1977-78
Percentage of Cases Requiring First Follow-Up	53.1	59.3
Percentage of Cases Requiring Second Follow-Up	58.8	59.9

It can be seen that the rate at which both follow-up letters were mailed increased from the rates in the 1976-77 validation study. Of particular interest is the finding that cases requiring a first follow-up letter increased significantly from the percentage of cases in the 1976-77 study (increase of 6.2%). This increase may be due, in part, to the fact that all follow-up letter mailings are reflected in the 1977-78 statistics, whereas the data for 1976-77 represent the percentages of follow-up transactions relative to only those cases resolved at the time the 1976-77 report was prepared. Another factor which may have affected the rate of follow-ups is the usage of the "response worksheet" which was mailed to all applicants along with the initial letter. Although students were not required to use this worksheet, it was provided to assist applicants in compiling documents. This form may have affected the amount of time it took students and/or parents to organize all the information requested.

A review of the occurrence of discrepancies in relation to the various transaction types in Table 4.8 reveals only slight differences in the frequency of transactions. Of particular interest, however, is the finding that a proportionately greater number of transactions involving letters sent when a response had been received with a signed and uncorrected (or partially corrected) SER accompanied by supporting documentation were required for cases with actual discrepancies (1.5%), followed in frequency by cases with discrepancies in portions earned (1.2%), as compared with other common discrepancy types such as post-high school enrollment (0.4%) and nontaxable income (0.5%). This finding suggests that students who have attempted to correct SER data and have provided all the documents required have apparently overlooked or misunderstood the instructions for verifying taxes paid and portions of earned income. Another interesting finding shown in this table is that telephone calls received, after at least one written response had been provided by students or parents, occurred most often in cases with discrepancies in taxes paid (1.8%) and portions of earned income (1.5%).

Distribution of Responses

To further analyze the data received from applicants selected according to the Pre-established Criteria, a series of tables are presented displaying the range of response types received as first, second and third responses. Table 4.9 exhibits the distribution of first responses by actual discrepancies. Of the 7,098 transactions that comprised the first responses, the higher number of responses came from cases with confirmed taxes paid errors (43.2%). Other frequent discrepancy types found in the first responses were those cases with no confirmed discrepancies (38.9% of transactions) and portions of earned income (38.0% of transactions). Only 15.5 percent of the total transactions (938 of 7,098) taken after the receipt of the first response involved completely acceptable responses.[1/] The greatest proportion of transactions containing valid SER corrections in the first response were from cases with actual discrepancies in unusual expenses, adjusted gross income and portions of earned income (31.8%, 16.9% and 16.4% of transactions, respectively), while the fewest transactions of this type occurred in cases with discrepancies in applicant's savings (11.1%), and nontaxable income (12.3%). The presence of considerable numbers of corrections in unusual expenses in the first response is most likely explained by the fact that often students will submit unsolicited corrections. For Pre-established Criteria cases, unsolicited corrections in SER fields not originally questioned were accepted unless documentation provided by the student disagreed with the correction. It is interesting to note that among those responses which were incomplete and required an additional transaction to request additional documents, the greatest proportion of transactions were taken for those cases which resulted in no confirmed discrepancies and cases currently unresolved (41.1% and 37.9% of the transactions, respectively). Similarly, responses which required multiple requests for clarification occurred most frequently in those cases with no confirmed

[1/] Completely acceptable responses are those containing acceptable verifying documentation, valid SER corrections, verification of non-use of grant and circumstances leading to OE resolution.

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12+13)	TAXES PAID (16+17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08+09 10+11)	PORTIONS EARNED (14+15)	
TOTAL	7,098	2,343	3,064	19	86		974	2,695	SC
	100.0	33.0	43.2	0.3	1.2		13.7	38.0	RC
	100.0	100.0	100.0	100.0	100.0		100.0	100.0	CC
	100.0	33.0	43.2	0.3	1.2		13.7	38.0	AC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	282						1		SC
	100.0						0.4		RC
	4.0						0.1		CC
	4.0								AC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	656	398	469		12		120	441	SC
	100.0	60.2	71.5		1.8		18.3	67.2	RC
	9.2	16.9	15.3		14.0		12.3	16.4	CC
	9.2	5.6	6.6		0.2		1.7	6.2	AC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE	661	330	503	4	6		107	368	SC
	100.0	49.9	76.1	0.6	0.9		16.2	55.7	RC
	9.3	14.1	16.4	21.1	7.0		11.0	13.7	CC
	9.3	4.6	7.1	0.1	0.1		1.5	5.2	AC
13 SEND SER TO IRS = SEND LETTER TO INSTITUTION TO EXPECT NEW SCI	1		1						SC
	100.0		100.0						RC
									CC
									AC
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	152								SC
	100.0								RC
	2.1								CC
	2.1								AC
15 ACKNOWLEDGEMENT OF DE RESOLUTION	12	2					1	1	SC
	100.0	16.7					8.3	8.3	RC
	0.2	0.1					0.1		CC
	0.2								AC
21 CONTRACTOR MADE CORRECTIONS - SER NEEDS SIGNATURE	422	216	288		4		58	239	SC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (85.8a 87)	HOUSE-HOLD SIZE (84)	VET'S BENE-FITS (23)	UN-USUAL LAPS (17, 28)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (12a-83 28-28)	NONE (21)	UNKNOWN (69)	CASES CUMULATIVE UN-RESOLVED	
TOTAL	7,098	969	1,887	4	96	9		242	2,734	12	347	ASAR
	100.0	13.7	14.2	0.1	1.4	0.1		3.4	38.8	0.2	4.6	
	100.0	100.0	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	
	100.0	13.7	14.2	0.1	1.4	0.1		3.4	38.8	0.2	4.6	ASAR
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION AND CORRECTIONS NECESSARY	282								281			ASAR
	100.0								99.6			
	4.0								10.2			
	4.0								4.0			
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	656	141	144		29	1		32	1			ASAR
	100.0	21.5	22.0		4.4	0.2		4.9	0.2			
	9.2	14.6	14.3		31.9	11.1		13.2				
	9.2	2.0	2.0		0.4			0.5				ASAR
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEM BUT NOT ALL CORRECTIONS MADE	661	126	110		9	1		43	48	16		ASAR
	100.0	18.9	17.9		1.4	0.2		6.5	7.3	2.4		
	9.3	12.9	11.7		10.4	11.1		17.8	1.7	4.9		
	9.3	1.8	1.7		0.1			0.6	0.7	0.2		ASAR
13 SEND SEM TO IGOR - SEND LETTER TO INSTITUTION TO EXPECT NEW SEM	1											ASAR
	100.0											
16 ACKNOWLEDGEMENT OF NON-USE OF GRANT	152								152			ASAR
	100.0								100.0			
	2.1								5.5			
	2.1								2.1			ASAR
15 ACKNOWLEDGEMENT OF DE RESOLUTION	12		1					3	10			ASAR
	100.0		8.3					25.0	83.3			
	0.2		0.1					1.2	0.4			
	0.2								0.1			ASAR
21 CONTRACTOR MAKES CORRECTIONS - SEM NEEDS SIGNATURE	422	69	67		4	2		9	82		8	SC

BEST COPY AVAILABLE

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CATEGORIES)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12+13)	TAXES PAID (14+17 19)	DEPEND STATUS (621)	AGE(65 (21)	CITIZEN-SHIP (811)	NON-TAXABLE INCOME (20+.09 20+11)	POSITIONS EARNED (14+15)	
	100.0	51.2	44.4		0.9		13.7	94.6	
	5.9	9.2	9.1		4.7		6.8	8.9	
	5.9	3.8	3.9		0.1		0.8	3.4	ARA
22 REQUESTING ADDITIONAL DOCUMENTS	1,994	636	918	2	19		134	522	
	100.0	22.1	46.2	0.1	0.9		6.8	26.4	
	27.8	18.6	16.9	18.8	17.9		17.9	19.4	
	27.8	6.1	7.3		0.6		0.5	7.4	ARAR
23 REQUESTING CLARIFICATION AND SPECIAL ACTION	354	96	148		4		183	111	
	100.0	27.1	28.8		0.8		29.1	31.4	
	5.8	4.1	4.8		2.4		10.6	4.1	
	5.8	1.4	2.8				1.5	1.6	ARAR
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS	68	8	9		8		6	13	
	100.8	12.1	13.6		14.1		9.1	19.7	
	5.9	8.3	8.3		9.4		8.6	8.5	
	8.9	8.1	8.1		8.1		8.1	8.2	ARAR
25 MULTIPLE REQUESTS FOR CLARIFICATION	1,142	582	776	5	8m		233	628	
	100.8	32.3	44.5	8.3	1.8		13.7	36.1	
	34.8	34.8	25.3	38.3	22.6		25.8	23.3	
	34.8	7.9	18.9	8.1	8.4		3.8	8.8	ARAR
26 REQUESTING SIGNATURE ON SLR	166	84	62		1		19	115	
	100.8	58.6	95.4		8.8		11.4	69.2	
	2.3	3.8	3.8		1.4		2.8	4.3	
	2.3	1.2	1.3				8.3	1.6	ARAR
27 CALL-US LETTER	47	12	17	4			2	22	
	100.8	25.5	36.2	8.5			4.3	46.8	
	8.7	8.5	8.8	21.1			8.2	8.8	
	8.7	8.2	8.2	8.1				8.3	ARAR
28 COMPLETELY CUSTOMIZED LETTER	39	12	8	1	1		4	18	
	100.8	38.8	28.3	2.6	2.8		18.3	28.6	
	8.5	8.5	8.2	8.3	1.2		8.4	8.4	
	8.5	8.2	8.1				8.1	8.1	ARAR
41 REQUESTING PROOF OF CITIZENSHIP									
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS	16		1	1			1		SC

07/23/78 -134- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	100.0	16.4	20.6		0.9	0.5		2.1	19.4		1.4	HC
	5.9	7.1	8.6		4.5	22.2		3.7	3.0		1.8	CC
	5.9	1.8	1.2		0.1			0.1	1.2		0.1	MC
22 REQUESTING ADDITIONAL DOCUMENTS.....	1,974	183	188	2	16			53	1,132	3	124	SC
	100.0	9.3	9.5	0.1	0.9			2.7	57.3	0.2	6.3	HC
	27.8	18.9	18.7	50.0	20.5			21.9	41.1	25.0	37.9	CC
	27.8	2.6	2.6		0.8			0.7	15.9		1.7	MC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	354	69	59		4			9	110		21	SC
	100.0	19.5	16.7		1.1			2.5	31.1		5.9	HC
	5.0	7.1	5.9		4.5			3.7	4.8		6.6	CC
	5.0	1.0	0.8		0.1			0.1	1.5		0.3	MC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	66		5		1	1			40		4	SC
	100.0		7.6		1.5	1.5			60.6		6.1	HC
	0.9		0.5		1.1	11.1			1.5		1.2	CC
	0.9		0.1						0.6		0.1	MC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	1,742	244	258	2	12	4		63	672	2	107	SC
	100.0	14.0	14.8	0.1	0.7	0.2		3.6	38.6	0.1	6.1	HC
	24.5	25.2	25.6	50.0	13.6	44.4		26.0	24.4	16.7	32.7	CC
	24.5	3.4	3.6		0.8	0.1		0.9	9.5		1.5	MC
26 REQUESTING SIGNATURE ON SER	166	34	32		4			5	91	1	1	SC
	100.0	20.5	19.3		2.4			3.0	18.7	0.6	0.6	HC
	2.3	3.5	3.2		4.5			2.1	1.1	0.3	0.3	CC
	2.3	0.5	0.5		0.1			0.1	0.4			MC
27 CALL-US LETTER.....	47	9	11		2			2	17		8	SC
	100.0	19.1	23.4		4.3			4.3	36.2		17.0	HC
	0.7	0.9	1.1		2.3			0.8	0.6		2.4	CC
	0.7	0.1	0.2						0.2		0.1	MC
28 COMPLETELY CUSTOMIZED LETTER.....	39	3	7		2			8	13	4	8	SC
	100.0	7.7	17.9		5.1			20.5	33.3	10.3	20.5	HC
	0.5	0.3	0.7		2.3			3.3	0.5	33.3	2.4	CC
	0.5		0.1					0.1	0.2	0.1	0.1	MC
41 REQUESTING PROOF OF CITIZENSHIP.....												
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	16		1						10		4	SC

BEST COPY AVAILABLE

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
	100.0		6.3	6.3			6.3		ACR
	0.2			5.3			0.1		ACR
	0.2								ACR
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	3								SC
	100.0								ACR
									SC
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS									
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....									
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	2								SC
	100.0								ACR
									SC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....									
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....									
35 ACKNOWLEDGEMENT OF UR RESOLUTION AFTER SUSPENSION									
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..									
86 SEND SER TO STUDENT/PARENT.									
87 COMPLETED CALL TO.....									
88 INCOMPLETE CALL TO.....									
95 COMMUNICATION WITH THIRD PARTIES.....									
-- OTHER.....	503	190	250	2	9		105	225	SC
	100.0	37.8	49.7	0.4	1.8		20.9	44.7	HC
	7.1	8.1	8.2	10.5	10.5		10.8	8.3	CC
	7.1	2.7	3.5		0.1		1.5	3.2	HC

BEST COPY AVAILABLE

TABLE 4.9

DISTRIBUTION OF FIRST RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,38)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	100.0		6.3						62.5		25.0	RC
	0.2		0.1						0.4		1.2	CC
	0.2								0.1		0.1	MC
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	3								3			SC
	100.0								100.0			RC
									0.1			CC
												MC
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS												
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....												
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	2								2			SC
	100.0								100.0			RC
									0.1			CC
												MC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....												
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....												
35 ACKNOWLEDGEMENT OF OF RESOLUTION AFTER SUSPENSION												
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..												
86 SEND SER TO STUDENT/PARENT.												
87 COMPLETED CALL TO.....												
88 INCOMPLETE CALL TO.....												
95 COMMUNICATION WITH THIRD PARTIES.....												
-- OTHER.....	503	92	96		4			15	150	2	28	SC
	100.0	18.3	19.1		0.8			3.0	29.8	0.4	5.6	RC
	7.1	9.5	9.5		4.5			6.2	5.4	16.7	8.8	CC
	7.1	1.3	1.4		0.1			0.2	2.1		0.4	MC

BEST COPY AVAILABLE

discrepancies, cases currently unresolved and asset discrepancies (41.4%, 37.9% and 32.6% of transactions in the first response, respectively).[1/]

A comparison of the first responses received in the 1976-77 and 1977-78 validation studies is shown in the following text table:

Comparison of Distribution of First Responses Between 1976-77 and 1977-78 Validation Studies

Response Type	1976-77 %	1977-78 %
Total	100.0	100.0
Acceptable Documentation	18.3	4.0
Acceptable SER Corrections	12.4	9.2
Other Closures	*	2.3
Unacceptable Documentation	23.3	57.3
Unacceptable SER Correction	20.3	18.4
Other	25.6	8.5

*Other closures were not specified in the 1976-77 validation studies.

A review of this table reveals considerably lower rates of acceptable responses in the 1977-78 validation. This trend was also evident in the first responses received in the Institution Referral Study. This may be partially attributed to the procedural changes in the letters, i.e., the worksheet as well as the more stringent requirements for documentation.

Table 4.10 presents the distribution of second responses from Pre-established Criteria study participants by actual discrepancies.

1/ Multiple requests consist of any combination of a request including making SER corrections, request for student to provide documentation or request for clarification of documents already provided.

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
TOTAL	3,871	1,583	2,060	15	67		735	1,058	SC
	100.0	40.9	53.2	0.4	1.7		19.0	40.8	PC
	100.0	100.0	100.0	100.0	100.0		100.0	100.0	CC
	100.0	40.9	53.2	0.4	1.7		19.0	40.8	PC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	178		1						SC
	100.0		0.6						PC
	4.6								CC
	4.6								PC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE.	1,526	889	1,173	2	36		324	1,036	SC
	100.0	58.3	76.9	0.1	2.3		21.2	67.9	PC
	39.4	56.2	56.9	13.3	52.4		44.1	55.8	CC
	39.4	23.0	30.3	0.1	0.9		8.4	26.8	PC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SCH BUT NOT ALL CORRECTIONS MADE.	333	173	224		4		119	196	SC
	100.0	52.0	67.3		1.2		35.7	58.9	PC
	8.6	10.9	10.9		6.0		16.2	18.5	CC
	8.6	4.5	5.8		0.1		3.1	5.1	PC
13 SEND SCH TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SCH.	7	4	6					6	SC
	100.0	57.1	85.7					85.7	PC
	0.2	0.3	0.3					0.3	CC
	0.2	0.1	0.2					0.2	PC
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT.	35	1	1					1	SC
	100.0	2.9	2.9					2.9	PC
	0.9	0.1						0.1	CC
	0.9								PC
15 ACKNOWLEDGEMENT OF DE RESOLUTION.	15	6	3	1			1	4	SC
	100.0	40.0	20.0	6.7			6.7	26.7	PC
	0.4	0.4	0.1	6.7			0.1	0.2	CC
	0.4	0.2	0.1					0.1	PC
21 CONTRACTOR MAKES CORRECTIONS - SCH NEEDS SIGNATURE.	123	47	72	1			24	62	SC

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (85.86 87)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EAPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 28.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL	3,871	688	724	4	58	8		158	984	7	179	SC
	100.0	17.8	18.7	0.1	1.5	0.2		4.1	25.4	0.2	4.6	HC
	100.0	100.0	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	CC
	100.0	17.8	18.7	0.1	1.5	0.2		4.1	25.4	0.2	4.6	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	170	1							169			SC
	100.0	0.6							99.4			HC
	4.4	0.1							17.2			CC
	4.4								4.4			MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE.	1,526	356	376		31	6		64	2			SC
	100.0	23.3	24.6		2.0	0.4		4.2	0.1			HC
	39.4	51.7	51.9		62.9	75.0		40.5	0.2			CC
	39.4	9.2	9.7		0.8	0.2		1.7	0.1			MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SER BUT NOT ALL CORRECTIONS MADE.	333	76	80		1			29	21		16	SC
	100.0	22.8	24.0		0.3			8.7	6.3		4.8	HC
	8.6	11.0	11.0		2.0			18.4	2.1		8.9	CC
	8.6	2.0	2.1					0.7	0.5		0.4	MC
13 SEND SER TO IUWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SER.	7	1	1									SC
	100.0	14.3	14.3									HC
	0.2	0.1	0.1									CC
	0.2											MC
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT.	35							1	34			SC
	100.0							2.9	97.1			HC
	0.9							0.6	3.5			CC
	0.9								0.9			MC
15 ACKNOWLEDGEMENT OF DE RESOLUTION.	15	1	2					8	8			SC
	100.0	6.7	13.3					53.3	53.3			HC
	0.4	0.1	0.3					5.1	0.8			CC
	0.4		0.1					0.2	0.2			MC
21 CONTRACTOR MAKES CORRECTIONS - SER NEEDS SIGNATURE.	123	26	25					1	26		5	SC

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12+13)	TAXES PAID (16+17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08+09 10+11)	PORTIONS EARNED (14+15)	
	100.0	38.2	58.5	0.8			19.5	58.4	ACAK
	3.2	3.0	3.5	6.7			3.3	3.3	ACAK
	3.2	1.2	1.9				0.6	1.6	ACAK
22 REQUESTING ADDITIONAL DOCUMENTS.....	381	91	118	2	4		41	115	ACAK
	100.0	38.2	39.2	0.7	1.0		13.6	38.2	ACAK
	7.8	5.7	6.7	13.3	4.5		5.6	6.2	ACAK
	7.8	2.4	3.0	0.1	0.1		1.1	3.0	ACAK
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	154	44	71	1	3		41	80	ACAK
	100.0	28.6	46.1	0.6	3.2		26.6	32.5	ACAK
	4.8	2.8	3.4	6.7	7.5		5.6	2.7	ACAK
	4.8	1.1	1.8		0.1		1.1	1.3	ACAK
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	36	8	6		6		9	11	ACAK
	100.0	22.2	16.7		16.7		25.0	30.6	ACAK
	0.9	0.5	0.3		9.8		1.2	0.6	ACAK
	0.9	0.2	0.2		0.2		0.2	0.3	ACAK
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	291	92	115	3	4		51	105	ACAK
	100.0	31.6	39.5	1.0	1.4		17.5	36.1	ACAK
	7.5	5.8	5.6	20.0	6.0		6.9	6.7	ACAK
	7.5	2.4	3.0	0.1	0.1		1.3	2.7	ACAK
26 REQUESTING SIGNATURE ON SER	93	49	59	1	1		17	66	ACAK
	100.0	52.7	63.4	1.1	1.1		18.3	71.0	ACAK
	2.4	3.1	2.9	6.7	1.5		2.3	3.6	ACAK
	2.4	1.3	1.5				0.4	1.7	ACAK
27 CALL-US LETTER.....	45	9	12		1		13	13	ACAK
	100.0	20.0	26.7		2.2		28.9	28.9	ACAK
	1.2	0.6	0.6		1.5		1.8	0.7	ACAK
	1.2	0.2	0.3				0.3	0.3	ACAK
28 COMPLETELY CUSTOMIZED LETTER.....	14	4	4				2	8	ACAK
	100.0	28.6	28.6				14.3	57.1	ACAK
	0.4	0.3	0.2				0.3	0.4	ACAK
	0.4	0.1	0.1				0.1	0.2	ACAK
41 REQUESTING PROOF OF CITIZENSHIP.....									
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	2								SC

07/27/76 -138- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PAY-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (80.00 BY)	MODEL-MOLD SIZE (04)	VET'S PREF-ERENCE (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (04)	OTHER (29.02 28.28)	NONE (11)	UNKNOWN (08)	CASES CURRENTLY UN-RESOLVED	
	100.0	21.1	20.3					9.8	21.1		4.1	RE
	3.2	3.8	3.9					8.6	3.6		3.8	RR
	3.2	8.7	8.6						8.7		8.1	RR
22 REQUESTING ADDITIONAL DOCUMENTS.....	201	43	47		6			8	123	2	28	SC
	100.0	14.3	15.8		2.8			4.7	48.9	8.7	8.4	RE
	7.8	6.3	6.5		14.9			8.1	12.5	28.6	19.8	RR
	7.8	1.1	1.2		8.2			8.2	3.2	8.1	8.7	RC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	134	26	28		4			6	67		18	SC
	100.0	18.9	18.2		2.8			3.9	38.5		9.7	RE
	4.8	3.8	3.9		8.8			3.8	4.8		8.4	RR
	4.8	8.7	8.7		8.1			8.2	1.2		8.4	RC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	36	6	18		1			3	9		6	SC
	100.0	16.7	27.8		2.8			8.3	25.8		16.7	RE
	8.9	8.9	1.4		2.8			1.9	8.9		3.4	RR
	8.9	8.2	8.3					8.1	8.2		8.2	RC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	291	51	45		3			18	117	1	31	SC
	100.0	17.5	15.5		1.8			2.4	48.2	8.3	18.7	RE
	7.3	7.4	6.2		8.8			4.3	11.9	14.3	17.3	RR
	7.5	1.3	1.2		8.1			8.3	3.8		8.8	RC
26 REQUESTING SIGNATURE ON SER	93	16	18	1				2	18		4	SC
	100.0	17.2	19.4	1.1				2.2	18.8		4.3	RE
	2.4	2.3	2.8	25.8				1.3	1.8		2.2	RR
	2.4	8.4	8.8					8.1	8.3		8.1	RC
27 CALL-US LETTER.....	45	8	9	1	1	1		1	12		10	SC
	100.0	11.1	20.8	2.2	2.2	2.2		2.2	26.7		22.2	RE
	1.2	8.7	1.2	25.8	2.8	12.5		8.4	1.2		8.5	RR
	1.2	8.1	8.2						8.3		8.3	RC
28 COMPLETELY CUSTOMIZED LETTER.....	14	4	3	1				3	3	2	2	SC
	100.0	28.8	21.4	7.1				21.4	21.4	14.3	14.3	RE
	8.4	8.4	8.4	25.8				1.9	8.3	28.8	1.1	RR
	8.4	8.1	8.1					8.1	8.1	8.1	8.1	RC
41 REQUESTING PROOF OF CITIZENSHIP.....												
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....	2								1		1	SC

07/27/78 -252- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12-13)	TAXES PAID (16-17) 101	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (03)	NON-TAXABLE INCOME (08-09 10-11)	POSITIONS EARNED (14-15)	
	100.0								ARR
	0.1								
	0.1								
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	1			1			1		ARR
	100.0			100.0			100.0		
				0.7			0.1		
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS									
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	225	86	67	1	4		26	67	ARR
	100.0	24.9	29.8	0.4	1.8		10.8	29.8	
	3.8	3.5	3.1	0.7	0.8		4.9	3.6	
	0.8	1.4	1.7		0.1		0.8	1.7	
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	245	6	8				5	6	ARR
	100.0	2.3	3.8				1.9	2.3	
	0.8	0.4	0.4				0.7	0.3	
	0.8	0.2	0.2				0.1	0.2	
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....									
34 ACKNOWLEDGEMENT OF CORRECTED SSN AFTER SUSPENSION.....									
35 ACKNOWLEDGEMENT OF UL RESOLUTION AFTER SUSPENSION									
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..									
86 SEND SSN TO STUDENT/PARENT.									
87 COMPLETED CALL IN.....									
88 INCOMPLETE CALL IN.....									
95 COMMUNICATION WITH THIRD PARTIES.....									

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	100.0								50.0		50.0	NC
	0.1								0.1		0.6	CC
	0.1											MC
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....	1											SC
	100.0											RC
												CC
												MC
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS												
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	225	23	26			1		10	94	1	41	SC
	100.0	10.2	11.6			0.4		4.4	41.8	0.4	18.2	RC
	5.8	3.3	3.6			12.5		6.3	9.6	14.3	22.0	CC
	5.8	0.6	0.7					0.3	2.4		1.1	MC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	265	5	4	1	1			1	251			SC
	100.0	1.9	1.5	0.4	0.4			0.4	94.7			RC
	6.8	0.7	0.6	28.0	2.0			0.6	25.5			CC
	6.8	0.1	0.1						6.5			MC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....												
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....												
35 ACKNOWLEDGEMENT OF UE RESOLUTION AFTER SUSPENSION												
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..												
86 SEND SER TO STUDENT/PARENT.												
87 COMPLETED CALL TO.....												
88 INCOMPLETE CALL TO.....												
95 COMMUNICATION WITH THIRD PARTIES.....												

4.97

07/27/78

BEST COPY AVAILABLE

PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES:

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
-- OTHER.....	235	104	140	2	4		51	112	SC
	100.0	44.3	61.1	0.9	1.7		21.7	47.7	RC
	6.1	6.6	5.6	13.3	6.0		6.9	6.6	CC
	6.1	2.7	3.1	0.1	0.1		1.3	2.9	RC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS).
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.10

DISTRIBUTION OF SECOND RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES!

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19. 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 26.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
-- OTHER.....	235	48	50		2			11	57	1	22	SC
	100.0	20.4	21.3		0.9			4.7	24.3	0.4	9.4	RC
	6.1	7.0	6.9		4.0			7.0	5.8	14.3	12.3	CC
	6.1	1.2	1.3		0.1			0.3	1.5		0.6	RC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS)!
CELL ENTRIES ARE DUPLICATED COUNTS.

4.99

BEST COPY AVAILABLE

A total of 3,871 transactions were received as second responses. In this response cycle the largest proportion of transactions were responses that contained valid SER corrections supported by verifying documents (39.4% of all second responses). For this transaction type, the fewest proportion of transactions were taken in cases with actual discrepancies in dependency status, i.e., 13.3 percent. In contrast, cases with taxes paid, adjusted gross income, and portions earned discrepancies required a proportionately higher number of such transactions (56.9%, 56.2% and 55.8%, respectively.

A comparison of the second responses received in the 1977-78 study with the second responses received in the 1976-77 study is shown in the following text table:

Comparison of Distribution of Second Responses Between 1976-77 and 1977-78 Validation Studies

Response Type	1976-77 %	1977-78 %
Total	100.0	100.0
Acceptable Documentation	8.8	4.4
Acceptable SER Correction	29.5	39.4
Other Acceptable Closures	*	1.3
Unacceptable Documentation	20.4	19.3
Unacceptable SER Correction	20.9	15.1
Other	20.4	20.4

*Other closures were not specified in the 1976-77 validation studies.

This text table indicates that overall, 6.8 percent more of the second responses in the 1977-78 study were acceptable than in the 1976-77 study (45.1% vs. 38.3%, respectively). The most significant finding in this summary table is the increase in the rate of acceptable SER corrections received in the 1977-78 study, compared to the previous

percentage of these responses (increase of 9.9%). This result suggests that the procedures for informing students of the SER items needing correction, as well as the process by which the contractor makes corrections which are then reviewed by applicants, are effective in obtaining all necessary corrections by the time of the second response. Another interesting result shown in this text table is the equal rate at which all "other" types of responses are received.[1/]

Table 4.11 presents the distribution of third responses within each type of discrepancy. A total of 1,210 transactions were recorded, of which 584 (48.3%) were for responses containing valid SER corrections. Among the responses containing valid SER corrections supported by documentation, the proportion of responses within each common discrepancy type are similar to those received in the second response cycle. Specifically this transaction type occurred at the highest rates in cases with discrepancies in unusual expenses (75.0%), taxes paid (69.6%) and portions of earned income (67.4%) with the fewest proportion of this transaction type occurring in cases with discrepancies in "other" SER fields, i.e., marital status (49.1% of transactions within this error type). Within the third response cycle, data recorded for other transaction types are relatively small and therefore no comparisons have been made.

A comparison of the breakdown of acceptable and unacceptable responses at the various intervals for the 1976-77 and 1977-78 validation contracts is shown in the following text table:

[1/] Response types which are included in this category are those written letters which do not relate to the validation requests, and thus require the contractor to write a customized letter or letter requesting the applicant to call the validation office; responses which result in suspension of the award due to non-compliance with the validation requests; and letters which are returned-to-sender.

TABLE 4.11

DISTRIBUTION OF THIRD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)	
TOTAL	1,210	514	655	12	28		292	626	SC
	100.0	42.5	54.1	1.0	2.3		24.1	51.7	RC
	100.0	100.0	100.0	100.0	100.0		100.0	100.0	CC
	100.0	42.5	54.1	1.0	2.3		24.1	51.7	NC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CONNECTIONS NECESSARY).	28								SC
	100.0								RC
	2.3								CC
	2.3								NC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CONNECTIONS MADE	384	337	456	7	16		172	422	SC
	100.0	87.7	78.1	1.8	3.1		29.5	72.3	RC
	48.3	65.6	69.6	58.3	64.3		58.9	67.4	CC
	48.3	27.9	37.7	0.6	1.3		14.2	34.9	NC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEN BUT NOT ALL CONNECTIONS MADE	102	52	48	2			37	66	SC
	100.0	51.0	47.1	2.0			36.3	58.8	RC
	8.4	10.1	7.3	16.7			12.7	9.6	CC
	8.4	4.3	4.0	0.2			3.1	5.8	NC
13 SEND SEN TO IRWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SEI									
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	8								SC
	100.0								RC
	0.7								CC
	0.7								NC
15 ACKNOWLEDGEMENT OF DE RESOLUTION	4								SC
	100.0								RC
	0.3								CC
	0.3								NC
21 CONTRACTOR MAKES CONNECTIONS - SEN NEEDS SIGNATURE	31	17	18		1		7	25	SC
	100.0	54.8	58.1		3.2		22.6	80.6	RC
	2.6	3.3	2.7		3.6		2.4	4.0	CC
	2.6	1.4	1.5		0.1		0.6	2.1	NC

BEST COPY AVAILABLE

TABLE 4.11

DISTRIBUTION OF THIRD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 28,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL	1,210	256	269	3	16	2		57	264	2	77	SC
	100.0	21.2	22.2	0.2	1.3	0.2		4.7	21.8	0.2	6.4	RC
	100.0	100.0	100.0	100.0	100.0	100.0		100.0	100.0	100.0	100.0	CC
	100.0	21.2	22.2	0.2	1.3	0.2		4.7	21.8	0.2	6.4	MC
10 ACKNOWLEDGEMENT OF VALID DOCUMENTATION (NO CORRECTIONS NECESSARY).	28								28			SC
	100.0								100.0			RC
	2.3								10.6			CC
	2.3								2.3			MC
11 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND WITH ALL CORRECTIONS MADE	584	154	168	3	12	2		28	1			SC
	100.0	26.4	28.8	0.5	2.1	0.3		4.8	0.2			RC
	48.3	60.2	62.5	100.0	75.0	100.0		49.1	0.4			CC
	48.3	12.7	13.9	0.2	1.0	0.2		2.3	0.1			MC
12 ACKNOWLEDGEMENT OF RESPONSE WITH VALID DOCUMENTATION AND SIGNED SEH BUT NOT ALL CORRECTIONS MADE	102	22	24					8	4	1	21	SC
	100.0	21.6	24.6					7.8	3.9	1.0	20.6	RC
	8.4	8.6	9.3					14.0	1.5	50.0	27.3	CC
	8.4	1.8	2.1					0.7	0.3	0.1	1.7	MC
13 SEND SEH TO IOWA - SEND LETTER TO INSTITUTION TO EXPECT NEW SEI												
14 ACKNOWLEDGEMENT OF NON-USE OF GRANT	8								8			SC
	100.0								100.0			RC
	0.7								3.0			CC
	0.7								0.7			MC
15 ACKNOWLEDGEMENT OF OE RESOLUTION	4								4			SC
	100.0								100.0			RC
	0.3								1.5			CC
	0.3								0.3			MC
21 CONTRACTOR MAKES CORRECTIONS - SEH NEEDS SIGNATURE	31	12	8		1			2	4		2	SC
	100.0	38.7	25.8		3.2			6.5	12.9		6.5	RC
	2.6	4.7	3.0		6.3			3.5	1.5		2.6	CC
	2.6	1.0	0.7		0.1			0.2	0.3		0.2	MC

BEST COPY AVAILABLE

TABLE 4.11

DISTRIBUTION OF THIRD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12+13)	TAXES PAID (16+17 10)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08+09 10+11)	PORTIONS EARNED (14+15)	
22 REQUESTING ADDITIONAL DOCUMENTS	93	18	28				6	17	
	100.0	34.6	37.7				15.1	32.1	
	4.4	3.5	3.1				2.7	2.7	
	4.4	1.5	1.7				0.7	1.4	
23 REQUESTING CLARIFICATION AND SPECIAL ACTION	34	8	10				9	12	
	100.0	23.5	29.4				26.5	35.3	
	2.0	1.4	1.1				3.1	1.9	
	2.0	0.7	0.9				0.7	1.0	
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS	10	1	4		4		2	3	
	100.0	10.0	40.0		28.0		20.0	30.0	
	0.8	0.2	0.6		7.1		0.7	0.5	
	0.8	0.1	0.3		0.2		0.2	0.2	
25 MULTIPLE REQUESTS FOR CLARIFICATION	51	17	20		1		14	19	
	100.0	33.3	39.2		2.0		27.5	37.3	
	4.2	3.3	3.1		3.6		4.8	3.8	
	4.2	1.4	1.7		0.1		1.2	1.6	
26 REQUESTING SIGNATURE ON SER	28	14	16				1	19	
	100.0	50.0	57.1				3.6	67.9	
	2.3	2.7	2.4				0.3	3.8	
	2.3	1.2	1.3				0.1	1.6	
27 CALL-US LETTER	15	3	3				4	2	
	100.0	20.0	20.0				26.7	13.3	
	1.2	0.4	0.5				1.4	0.3	
	1.2	0.2	0.2				0.3	0.2	
28 COMPLETELY CUSTOMIZED LETTER	3	1	1						
	100.0	33.3	33.3						
	0.2	0.2	0.2						
	0.2	0.1	0.1						
41 REQUESTING PROOF OF CITIZENSHIP									
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS									
43 REQUESTING CHANGE OF DEPENDENCY STATUS									

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.11

DISTRIBUTION OF INIHD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (85.00 87)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 29)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (26)	OTHER (20.03 28.38)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
22 REQUESTING ADDITIONAL DOCUMENTS.....	53	14	8		1			1	17		8	SC
	100.0	26.4	15.1		1.9			1.9	32.1		15.1	HC
	4.4	5.5	3.8		6.3			1.8	6.4		18.4	CC
	4.4	1.8	0.7		0.1			0.1	1.4		0.7	HC
23 REQUESTING CLARIFICATION AND SPECIAL ACTION.....	34	9	7					1	13		6	SC
	100.0	26.5	20.6					2.9	38.2		17.6	HC
	2.8	3.5	2.8					1.8	4.9		7.8	CC
	2.8	0.7	0.9					0.1	1.1		0.5	HC
24 REQUESTING CLARIFICATION OF INCOME OR ASSETS.....	10	3	6						3		1	SC
	100.0	30.0	60.0						30.0		10.0	HC
	0.8	1.2	1.9						1.1		1.3	CC
	0.8	0.2	0.4						0.2		0.1	HC
25 MULTIPLE REQUESTS FOR CLARIFICATION.....	51	6	10					3	14		18	SC
	100.0	15.7	19.6					5.9	27.5		23.5	HC
	4.2	3.1	3.7					5.3	5.3		15.6	CC
	4.2	0.7	0.8					0.2	1.2		1.8	HC
26 REQUESTING SIGNATURE ON SER	28	9	8						2		4	SC
	100.0	32.1	28.6						7.1		14.3	HC
	2.3	3.5	3.0						0.8		5.2	CC
	2.3	0.7	0.7						0.2		0.3	HC
27 CALL-US LETTER.....	15	2						1	2		8	SC
	100.0	13.3						6.7	13.3		53.3	HC
	1.2	0.8						1.8	0.8		10.4	CC
	1.2	0.2						0.1	0.2		0.7	HC
28 COMPLETELY CUSTOMIZED LETTER.....	3		1					2		1	1	SC
	100.0		33.3					66.7		33.3	33.3	HC
	0.2		0.4					3.6		50.0	1.3	CC
	0.2		0.1					0.2		0.1	0.1	HC
41 REQUESTING PROOF OF CITIZENSHIP.....												
42 REQUESTING CLARIFICATION OF QUESTIONABLE DEPENDENCY STATUS.....												
43 REQUESTING CHANGE OF DEPENDENCY STATUS.....												

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.11

DISTRIBUTION OF THIRD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES)

--- RESPONSE RESULTS ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
64 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS									
58 SECOND INSTRUCTION TO CORRECT RESPONSE.....	37	9	14				7	9	SC
	100.0	24.3	37.8				18.9	24.3	RC
	3.1	1.8	2.1				2.4	1.4	CC
	3.1	0.7	1.2				0.6	0.7	RC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	141	4	6		1		5	4	SC
	100.0	2.8	4.3		0.7		3.5	2.8	RC
	11.7	0.8	0.9		3.0		1.7	0.6	CC
	11.7	0.3	0.5		0.1		0.4	0.3	RC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....									
34 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....									
35 ACKNOWLEDGEMENT OF UR RESOLUTION AFTER SUSPENSION									
36 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..									
86 SEND SER TO STUDENT/PARENT.									
87 COMPLETED CALL TO.....									
88 INCOMPLETE CALL TO.....									
95 COMMUNICATION WITH THIRD PARTIES.....									
-- OTHER.....	81	33	39	3	5		26	34	SC
	100.0	40.7	48.1	3.7	6.2		32.1	42.0	RC
	6.7	6.4	6.8	25.0	17.9		8.9	5.4	CC
	6.7	2.7	3.2	0.2	0.4		2.1	2.8	RC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS)
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.11

DISTRIBUTION OF THIRD RESPONSES BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES:

--- RESPONSE RESULTS ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (23.03 28.38)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
44 REQUESTING CHANGE IN PRIOR ENROLLMENT STATUS												
50 SECOND INSTRUCTION TO CORRECT RESPONSE.....	37	6	6					2	15		4	SC
	100.0	16.2	16.2					5.4	40.5		10.8	RC
	3.1	2.3	2.2					3.5	5.7		5.2	CC
	3.1	0.5	0.5					0.2	1.2		0.3	MC
31 AWARD SUSPENSION FOR UNACCEPTABLE RESPONSE.....	141	2	2						132			SC
	100.0	1.4	1.4						93.6			RC
	11.7	0.8	0.7						50.8			CC
	11.7	0.2	0.2						10.9			MC
33 ACKNOWLEDGEMENT OF ACCEPTABLE DOCUMENTATION AFTER SUSPENSION.....												
36 ACKNOWLEDGEMENT OF CORRECTED SER AFTER SUSPENSION.....												
35 ACKNOWLEDGEMENT OF DE RESOLUTION AFTER SUSPENSION												
38 ACKNOWLEDGEMENT OF NON-USE OF GRANT AFTER SUSPENSION..												
86 SEND SER TO STUDENT/PARENT.												
87 COMPLETED CALL TO.....												
88 INCOMPLETE CALL TO.....												
95 COMMUNICATION WITH THIRD PARTIES.....												
-- OTHER.....	81	15	21		4			9	17		10	SC
	100.0	18.5	25.9		2.5			11.1	21.0		12.3	RC
	6.7	5.9	7.8		12.5			15.8	6.4		13.0	CC
	6.7	1.2	1.7		0.2			0.7	1.4		0.8	MC

NOTE: TOTAL COLUMN REPRESENTS CASES (STUDENTS); CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

Frequency of Response Types for 1976-77 and 1977-78 Validation Studies by the Time of Response

Time of Response	1976-77 Acceptable Percent	1976-77 Unacceptable Percent	1977-78 Acceptable Percent	1977-78 Unacceptable Percent
First Response	30.7 (N=688)	69.2 (N=1,554)	15.5 (N=1,102)	84.2 (N-5,996)
Second Response	38.3 (N=386)	61.7 (N-620)	45.1 (N-1,746)	54.8 (N-2,125)
Third Response	34.2 (N-83)	65.8 (N=160)	51.6 (N-624)	48.4 (N-586)

The most striking finding in this summary table is the difference in the proportion of acceptable responses in the third response cycle. While the rate of acceptable responses in the 1976-77 study decreased from the rates in the first two cycles, acceptable responses in the third cycle of the 1977-78 study increased by 6.5 percent from the rate of acceptable responses in the second cycle. This trend indicates that persons who are given additional opportunities to respond to the individualized procedural letters are more prone to respond correctly.

Distribution of Pre-established Criteria Transaction Types

Transactions taken in the Pre-established Criteria Study were primarily conducted between students (or their parents) and the validation contractor. The total number of these transactions was 51,983. Table 4.12 displays the distribution of these transactions within the five phases of the Pre-established Criteria Study according to the actual discrepancy types by the type of communication (letter or telephone call) and the party initiating the communication. Data are presented in terms of total transactions as well as mean number of transactions, within the five phases of the Pre-established Criteria Study.[1/] A comparison of the mean number of each type of transaction for the five different phases is shown in the following text table:

[1/] The five phases refer to the five initial contact cycles shown in Exhibit C.

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA) ACTUAL DISCREPANCIES)

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
TOTAL - ALL CASES.....									SV
									MV
									CV
									MV
									MN
TOTAL - PHASE I (PEC).....									SV
									MV
									CV
									MV
									MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	14,962	4,250	5,680	20	136		1,661	5,812	SV
	100.0	28.4	38.0	0.1	0.9		11.1	33.5	MV
									CV
	3.7	3.8	3.4	4.8	3.4		3.5	3.5	MV
									MN
LETTERS INITIATED BY APPLICANT/PARENT.....	6,481	2,553	3,422	18	98		1,075	3,006	SV
	100.0	39.4	52.8	0.3	1.4		16.6	46.4	MV
									CV
	1.9	2.1	2.1	3.6	2.4		2.3	2.1	MV
									MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	16	7	8				5	8	SV
	100.0	43.8	50.0				31.3	50.0	MV
									CV
	1.1	1.2	1.1				1.0	1.3	MV
									MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	1,409	594	846	11	32		318	668	SV
	100.0	42.2	60.0	0.8	2.3		22.6	47.4	MV
									CV
	1.5	1.6	1.6	3.7	2.8		1.7	1.5	MV
									MN
TOTAL - PHASE II (PEC).....									SV
									MV
									CV
									MV
									MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,755	1,043	1,337	13	40		431	1,147	SV
	100.0	27.8	35.6	0.3	0.7		11.5	30.5	MV
									CV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES:

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 28.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL - ALL CASES.....												SV
												MV
												CV
												MV
												MN
TOTAL - PHASE I (PEC).....												SV
												MV
												CV
												MV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	14,962	1,867	1,736	5	179	16		373	7,679	10	425	SV
	100.0	12.5	11.6		1.2	0.1		2.5	51.3	0.1	2.8	MV
												CV
												MV
	3.7	3.7	3.5	5.0	3.4	4.0		3.6	4.1	3.3	3.6	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	6,481	1,148	1,074	3	101	8		221	2,101	7	228	SV
	100.0	17.6	16.6		1.6	0.1		3.4	32.4	0.1	3.5	MV
												CV
												MV
	1.9	2.2	2.2	3.0	2.0	2.0		2.1	1.7	2.3	2.0	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	16								6			SV
	100.0								37.5			MV
												CV
												MV
	1.1								1.2			MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	1,409	278	251	3	24			50	345		50	SV
	100.0	19.7	17.8	0.2	1.7			3.5	24.5		3.5	MV
												CV
												MV
	1.5	1.7	1.7	3.0	1.5			1.7	1.3		1.5	MN
TOTAL - PHASE II (PEC).....												SV
												MV
												CV
												MV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,755	423	431		39			91	2,005		101	SV
	100.0	11.3	11.5		0.8			2.4	53.4		2.7	MV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
	3.8	3.5	3.9	4.3	3.3		3.6	3.6	MV MN
LETTERS INITIATED BY APPLICANT/PARENT.....	1,522	623	793	8	16		263	693	SV
	100.0	40.9	52.1	0.5	1.1		17.3	45.5	MV
									CV
	1.9	2.1	2.1	2.7	2.0		2.2	2.2	MV MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9	5	7				1	4	SV
	100.0	55.6	77.8				11.1	44.4	MV
									CV
	1.0	1.0	1.0				1.0	1.0	MV MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	318	153	196	3	10		84	165	SV
	100.0	48.1	61.6	0.9	3.1		26.4	51.9	MV
									CV
	1.6	1.7	1.6	1.0	2.5		1.8	1.6	MV MN
TOTAL - PHASE III (PEC).....									SV MV CV MV MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	7,489	1,864	2,406	9	41		693	2,133	SV
	100.0	23.9	30.8	0.1	0.5		8.9	27.3	MV
									CV
	3.9	3.7	3.6	3.0	4.1		3.7	3.7	MV MN
LETTERS INITIATED BY APPLICANT/PARENT.....	3,043	1,076	1,413	7	23		452	1,232	SV
	100.0	35.4	46.5	0.2	0.8		14.9	40.5	MV
									CV
	1.9	2.1	2.1	2.3	2.3		2.4	2.2	MV MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9	3	6				2	6	SV
	100.0	33.3	66.7				22.2	66.7	MV
									CV
	1.3	1.5	1.5				1.0	1.5	MV MN

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 29,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
												CV
	3.8	3.6	3.7		3.0			3.4	4.1		3.9	MV
												MN
LETTERS INITIATED BY APPLICANT/PARENT.....	1,522	263	260		16			53	486		53	SV
	100.0	17.3	17.1		1.1			3.5	31.9		3.5	RV
												CV
	1.9	2.2	2.2		1.6			2.8	1.6		2.2	MV
												MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9	1	2					1	2			SV
	100.0	11.1	22.2					11.1	22.2			RV
												CV
	1.0	1.0	1.0					1.0	1.0			MV
												MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	318	58	57		3			11	75		8	SV
	100.0	18.2	17.9		0.9			3.5	23.6		2.5	RV
												CV
	1.6	1.9	1.6		1.5			1.2	1.4		1.3	MV
												MN
TOTAL - PHASE III (PEC).....												SV
												RV
												CV
												MV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	7,809	801	883	9	59	6		224	4,348	29	294	SV
	100.0	10.3	11.3	0.1	0.8	0.1		2.9	55.7	0.4	3.8	RV
												CV
	3.9	3.9	3.8	4.5	3.9	6.0		3.6	4.1	3.6	3.6	MV
												MN
LETTERS INITIATED BY APPLICANT/PARENT.....	3,043	465	519	7	33	5		141	1,038	22	134	SV
	100.0	15.3	17.1	0.2	1.1	0.2		4.6	34.1	0.7	4.4	RV
												CV
	1.9	2.3	2.3	3.5	2.2	5.0		2.3	1.5	2.8	1.7	MV
												MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9		2						2			SV
	100.0		22.2						22.2			RV
												CV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PANENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12:13)	WAGES PAID (16:17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08:09 10:11)	PUNITIONS EARNED (14:15)	
TELEPHONE CALLS INITIATED BY APPLICANT/PANENT.....	585	209	277		4		183	227	SV
	100.0	35.7	47.4		0.3		31.8	38.8	RV
									CV
									MV
	1.5	1.6	1.6		1.9		1.8	1.6	MM
TOTAL - PHASE IV (PEC).....									SV
									RV
									CV
									MV
									MM
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,934	904	1,199	11	26		357	1,066	SV
	100.0	23.0	30.5	0.3	0.7		9.1	27.1	RV
									CV
									MV
	3.9	3.7	3.6	5.5	4.9		3.9	3.8	MM
LETTERS INITIATED BY APPLICANT/PANENT.....	1,435	513	699	7	24		218	618	SV
	100.0	35.7	48.7	0.5	1.7		14.6	42.5	RV
									CV
									MV
	1.8	2.1	2.1	3.4	3.4		2.3	2.1	MM
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..									
TELEPHONE CALLS INITIATED BY APPLICANT/PANENT.....	276	116	162	2	6		44	136	SV
	100.0	42.4	56.7	0.7	2.9		15.8	49.6	RV
									CV
									MV
	1.5	1.6	1.6	2.0	2.7		1.6	1.7	MM
TOTAL - PHASE V (ACT).....									SV
									RV
									CV
									MV
									MM
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	4,381	350	211	25	86		448	425	SV
	100.0	8.0	4.8	0.6	2.0		10.2	9.7	RV
									CV
									MV
	3.9	3.5	3.6	3.6	3.7		3.9	3.4	MM

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PAYMENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CUMI.
ACTUAL DISCREPANCIES:

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (85.06 87)	HOUSE-HOLD SIZE (84)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 28.38)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	1.3		2.0						1.0			NV MN
TELEPHONE CALLS INITIATED BY APPLICANT/PAYMENT.....	585	94	122	1	4	1		30	170	0	28	SV
	100.0	16.1	21.0	0.2	0.9	0.2		5.1	29.1	1.4	4.8	NV CV
	1.5	1.6	1.7	1.0	1.0	1.0		1.5	1.3	1.6	1.6	NV MN
TOTAL - PHASE IV (PEC).....												SV NV CV NV MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,934	434	396		24	6		194	2,284	5	145	SV
	100.0	11.0	10.1		0.6	0.2		2.6	58.1	0.1	3.7	NV CV
	3.9	3.7	4.0		3.4	4.0		3.9	4.1	2.5	3.8	NV MN
LETTERS INITIATED BY APPLICANT/PAYMENT.....	1,435	242	231		13	4		58	495	4	69	SV
	100.0	16.9	16.1		1.0	0.4		4.0	34.5	0.4	4.8	NV CV
	1.8	2.1	2.3		2.1	3.0		2.1	1.8	3.0	2.0	NV MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..												
TELEPHONE CALLS INITIATED BY APPLICANT/PAYMENT.....	278	56	68		4			15	81	1	7	SV
	100.0	20.1	20.9		0.7			5.4	29.1	0.4	2.5	NV CV
	1.5	1.8	1.8		2.0			1.7	1.3	3.0	1.8	NV MN
TOTAL - PHASE V (ACT).....												SV NV CV NV MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	4,381	98	383	5	24	8		102	2,952		407	SV
	100.0	2.2	8.7	0.1	0.5	0.2		2.3	67.4		9.3	NV

07/27/78 -288- PREPARED BY APPLIED MANAGEMENT SCIENCES

4.115

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE (PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES:

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
LETTERS INITIATED BY APPLICANT/PARENT.....	1,648	214	123	15	62		300	262	SV
	100.0	12.9	7.5	0.9	3.8		18.2	15.9	RV
									CV
									HV
	4.8	8.1	8.1	2.1	2.7		2.6	2.1	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	3						1	2	SV
	100.0						33.3	66.7	RV
									CV
									HV
	1.0						1.0	1.0	MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	388	36	18	5	11		78	44	SV
	100.0	9.3	4.7	1.3	2.8		20.2	11.4	RV
									CV
									HV
	1.4	1.4	1.9	1.3	1.8		1.5	1.4	MN

NOTE: CELL (1,1) THE GRAND TOTAL REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE.
THE TOTAL COLUMN SUBTOTALS ARE UNDUPLICATED COUNTS.
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.12

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05,06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25,03 26,30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
												CV
												MV
	3.9	3.8	3.9	5.0	3.1	4.0		3.9	4.0		3.8	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	1,648	62	180	3	14	4		57	747		204	SV
	100.0	3.8	10.9	0.2	0.8	0.2		3.5	48.4		12.4	RV
												CV
												MV
	2.0	2.4	2.3	3.0	2.0	2.0		2.2	1.7		2.1	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	3								2			SV
	100.0								66.7			RV
												CV
												MV
	1.5								2.0			MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	386	10	38		1	2		12	177		68	SV
	100.0	2.6	9.8		0.3	0.5		3.1	45.9		17.6	RV
												CV
												MV
	1.4	1.4	1.3		1.0	2.0		1.5	1.4		1.5	MN

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE;
THE TOTAL COLUMN SUBTOTALS ARE UNDUPLICATED COUNTS;
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

4.117

BEST COPY AVAILABLE

Comparison of Mean Number of Applicant/Parent Transaction Types Between the Five Sample Sets

Transaction Type	Phase I	Phase II	Phase III	Phase IV	Phase V
Letters Initiated by Validation Contractor Per Case	3.7 C=3994 N=14962	3.8 C=997 N=3755	3.9 C=2010 N=7809	3.9 C=1005 N=3934	3.9 C=1120 N=4381
Letters Initiated by Applicant/Parent Per Case	1.9 C=3384 N=6481	1.9 C=810 N=1522	1.9 C=1629 N=3043	1.8 C=778 N=1435	2.0 C=841 N=1648
Telephone Calls Initiated by Validation Contractor Per Case	1.1 C=14 N=16	1.0 C=9 N=9	1.3 C=7 N=9	0 C=0 N=0	1.5 C=2 N=3
Telephone Calls Initiated by Applicant/ Parent Per Case	1.5 C=917 N=1409	1.6 C=203 N=318	1.5 C=385 N=585	1.5 C=188 N=278	1.4 C=267 N=386

C= Cases
N= Number of transactions

While the average number of transactions remained relatively close for each phase of the Pre-established Criteria, there is a slight increase in the average number of letters initiated by the Validation Contractor as the study progressed. This increase may be attributed to the fact that students selected and thus contacted in the latter phases of the study had already received a portion of their Basic Grant awards and may not have had as strong of an incentive to comply in a timely manner with the validation requests. This would then increase the proportion of follow-up letters sent to students and parents. This hypothesis is further supported by the finding that the fewest average number of letters initiated by the contractor per case were for students first contacted in August of 1977, prior to the students' receipt of any amount of the BEOG award. Exhibit C shows the dates students from each phase were contacted.

Among discrepancy types, Table 4.12 indicates that both letters initiated by the contractor and letters initiated by applicants were slightly higher in instances where discrepancies occurred in items

EXHIBIT C: MAILING DATES OF INITIAL CONTACT LETTERS TO STUDENTS IN THE FIVE SAMPLING GROUPS

Phase	Sample Size	Mailing Date
I	3,994	August 25, 1977
II	997	September 19, 1977
III	2,010	October 28, 1977
IV	1,005	November 14, 1977
V	1,120	January 3, 1978

not originally questioned. Specifically, in Phase I, the Validation Contractor sent more letters on the average to individuals with errors in Veteran's Educational Benefits (5.0 per case), dependency status (4.0 per case) and applicant's savings (4.0 per case). Likewise, in Phase I letters from students averaged the highest for cases with discrepancies in dependency status (3.6 per case) and Veteran's Educational Benefits (3.0 per case). Cases with actual discrepancies in asset data also required a substantial number of letters initiated by the contractor in Phase III (average of 4.1 per case) and Phase IV (average of 4.0 letters per case). Although these averages are based upon those discrepancy types which occurred infrequently, these findings are noteworthy. It is likely that one of the reasons why cases with these discrepancies required more transactions is that asset, Veteran's Educational Benefits and savings items were not originally defined in the form letters sent to applicants. It was not until at least one response had been provided indicating possible errors in these areas that the items were defined and questioned. Even so, the findings presented in the Institution Referral procedures section of this Chapter (Section 4.3) indicate that these "other" items often require many transactions even though a definition of the specific SER item in question is provided in the first communication with the student.

Among the five major SER items brought into question in the Pre-established Criteria Study, cases with discrepancies in household size, post-high school enrollment and nontaxable income required a greater number of letters initiated by the contractor on the average. This is especially evident in the transactions taken on cases from Phase V, i.e., cases with nontaxable income and household size discrepancies averaged 3.9 letters per case and cases with post-high school discrepancies averaged 3.8 letters per case, as compared to other major SER items such as adjusted gross income and taxes paid (both averaged 3.5 letters per case). Telephone calls from applicants and their parents appear to have also occurred most frequently in cases with discrepancies in dependency status (3.7 calls per case - Phase I), assets (2.7 calls per case - Phase IV) and nontaxable income (1.8 calls per case - Phases II and III).

There did not appear to be any substantial differences in the frequency of transaction types by actual discrepancies between the cases selected according to ACT's criteria compared to the cases selected according to the Validation Contractor's criteria; i.e., the same discrepancies observed on the whole as requiring a greater rate of transactions such as nontaxable income, assets and Veteran's Benefits were also predominantly higher per case in the fifth phase when the ACT criteria cases were contacted.

A comparison of the mean number of transactions by each transaction type taken in the 1977-78 validation with the results of the prior validation studies is shown below in the following text table:

Comparison of Mean Number of Transactions by Type of Transaction Between the 1976-77 Validation and the 1977-78 Validation Studies

Type of Transaction	1976-77	1977-78
Letters Initiated by Validation Contractor	3.5	3.8
Letters Initiated by Applicant/Parent	1.1	1.5
Telephone Calls Initiated by Validation Contractor	0.1	<.1
Telephone Calls Initiated by Applicant/Parent	0.4	0.3

As can be seen from this table, the average number of letters initiated both by the contractor and by the applicants or parents, in the 1977-78 Pre-established Criteria Study, increased compared to the average number of these transactions taken in the 1976-77 study. This finding is primarily a function of the fact that the data presented for 1977-78 cases contain the average based upon cases resolved and unresolved, whereas the figures for 1976-77 represent the average number of transactions taken only in those cases that were resolved at the time of report preparation.

Table 4.13 presents the distribution of transactions between the validation contractor and institutions or third parties, for each type of actual discrepancy. There were no particular discrepancy types related to the calls from institutions or third parties; rather there were variations in each phase of the PEC study. In the first phase, telephone calls from institutions were received on the average at the highest rate for cases that were unresolved (1.5 calls). In the second phase, however, more calls were received in reference to asset discrepancies (2.0 calls) and errors in post-high school enrollment (1.8 calls). In the fourth phase, the average number of telephone calls was the highest among cases conducting this transaction in which no discrepancies occurred (2.3 calls) and those with "other" discrepancies, i.e., marital status (2.0 calls). Similar to the findings related to transactions with students and parents, letters initiated by the contractor and sent to institutions or third parties were generally highest for those discrepancy types which were not originally brought into question in the procedural letters. Specifically, they were: applicant's savings (1.3 letters per case, Phase I), dependency status and Veteran's Educational Benefits (1.5 letters per case - Phase III), and assets and unusual expenses (1.3 letters per case - Phase V).

Table 4.14 presents the mean number of transactions with students and parents experiencing each specific transaction type by the mode of resolution, for all study groups in the Pre-established Criteria Study. To further facilitate the analysis of these results, the overall average number of letter transactions have been computed for the four closure modes in which some response was received. This data is presented in the following text table:

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
TOTAL - ALL CASES.....									SV
									MV
									CV
									MV
									MN
TOTAL - PHASE I (PEC).....									SV
									MV
									CV
									MV
									MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,567	1,299	1,758	5	43		505	1,584	SV
	100.0	36.4	49.3	0.1	1.2		14.2	42.2	MV
									CV
									MV
	1.1	1.1	1.1	1.0	1.1		1.1	1.1	MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	53	21	29		1		9	20	SV
	100.0	39.6	54.7		1.9		17.0	37.7	MV
									CV
									MV
	1.0	1.1	1.0		1.0		1.0	1.1	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	88	19	20				13	24	SV
	100.0	21.6	22.7				14.8	27.3	MV
									CV
									MV
	1.2	1.1	1.1				1.0	1.0	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY..	155	78	97	1	4		37	100	SV
	100.0	50.3	62.6	0.6	2.6		23.9	64.5	MV
									CV
									MV
	1.1	1.2	1.2	1.0	1.0		1.1	1.2	MN
TOTAL - PHASE II (PEC).....									SV
									MV
									CV
									MV
									MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	856	318	488	2	8		130	342	SV
	100.0	36.2	46.7	0.2	0.9		15.2	40.0	MV

BEST COPY AVAILABLE

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES:

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 26.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
TOTAL - ALL CASES.....												SV
												AV
												CV
												AV
												MN
TOTAL - PHASE I (PEC).....												SV
												AV
												CV
												AV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,567	535	522	1	36	5		115	1,452			SV
	100.0	15.0	14.6		1.0	0.1		3.2	40.7			AV
												CV
												AV
	1.1	1.1	1.1	1.0	1.1	1.3		1.1	1.1			MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	53	8	8					1	18			SV
	100.0	15.1	15.1					1.9	34.0			AV
												CV
												AV
	1.0	1.1	1.0					1.0	1.0			MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	88	7	9		1			1	56		4	SV
	100.0	8.0	10.2		1.1			1.1	63.6		4.5	AV
												CV
												AV
	1.2	1.0	1.0		1.0			1.0	1.3		1.3	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY..	155	42	37	1	4	1		9	27		3	SV
	100.0	27.1	23.9	0.6	2.6	0.6		5.8	17.4		1.9	AV
												CV
												AV
	1.1	1.1	1.2	1.0	1.0	1.0		1.1	1.1		1.5	MN
TOTAL - PHASE II (PEC).....												SV
												AV
												CV
												AV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	856	123	124		9			23	360			SV
	100.0	14.4	14.5		1.1			2.7	42.1			AV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
	1.1	1.1	1.1	1.0	1.0		1.1	1.1	CV MN MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	17	7	9				5	6	SV
	100.0	41.2	49.4				29.4	35.3	RN CV
	1.0	1.0	1.0				1.0	1.0	MV MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	14	4	3					4	SV
	100.0	28.6	21.4					28.6	RN CV
	1.2	1.0	1.0					1.0	MV MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY....	54	27	46		4		9	21	SV
	100.0	51.9	38.9		3.9		17.3	40.4	RN CV
	1.3	1.5	1.3		2.0		1.1	1.5	MV MN
TOTAL - PHASE III (PEC).....									SV RN CV MV MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	1,633	515	678	3	14		187	584	SV
	100.0	31.5	41.5	0.2	0.9		11.5	35.8	RN CV
	1.1	1.1	1.1	1.5	1.4		1.1	1.1	MV MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	24	8	11				1	8	SV
	100.0	33.3	45.8				4.2	33.3	RN CV
	1.0	1.0	1.0				1.0	1.0	MV MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	38	7	7		2		3	10	SV
	100.0	18.4	18.4		5.3		7.9	26.3	RN CV

BEST COPY AVAILABLE

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 26.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
												CV
												HV
	1.1	1.1	1.1		1.0			1.2	1.1			MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	17	3	3						6			SV
	100.0	17.6	17.6						35.3			HV
												CV
												HV
	1.0	1.0	1.0						1.0			MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	14	1	1						9		1	SV
	100.0	7.1	7.1						64.3		7.1	HV
												CV
												HV
	1.2	1.0	1.0						1.3		1.0	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY.....	52	9	6						14		1	SV
	100.0	17.3	11.5						26.9		1.9	HV
												CV
												HV
	1.3	1.0	1.0						1.3		1.0	MN
TOTAL - PHASE III (PEC).....												SV
												AV
												CV
												HV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	1,633	219	238	3	16	1		55	743	1		SV
	100.0	13.4	14.6	0.2	1.0	0.1		3.4	45.5	0.1		HV
												CV
												HV
	1.1	1.1	1.1	1.5	1.1	1.0		1.1	1.1	1.0		MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	24	4	4					1	12			SV
	100.0	16.7	16.7					4.2	50.0			HV
												CV
												HV
	1.0	1.0	1.0					1.0	1.0			MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	38	1	2						23		5	SV
	100.0	2.6	5.3						60.5		13.2	HV
												CV

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12,13)	TAXES PAID (16,17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08,09 10,11)	PORTIONS EARNED (14,15)
	1.2	1.4	1.4	.	1.0		1.0	1.3
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY....	81	37	44		2		20	48
	100.0	45.7	54.3		2.5		24.7	59.3
	1.4	1.7	1.6		1.0		1.3	1.7
TOTAL - PHASE IV (PEC).....								
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	819	246	340	2	9		93	286
	100.0	30.0	41.5	0.2	1.1		11.4	34.9
	1.1	1.0	1.0	1.0	1.3		1.0	1.0
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	11	2	5				2	2
	100.0	18.2	45.5				18.2	18.2
	1.0	1.0	1.0				1.0	1.0
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	11	3	6				2	6
	100.0	27.3	54.6				18.2	54.5
	1.1	1.5	1.3				2.0	1.2
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY....	35	14	17				7	15
	100.0	40.0	48.6				20.0	42.9
	1.4	1.3	1.3				1.2	1.3
TOTAL - PHASE V (ACT).....								

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTION TYPE ---	TOTAL	POST HIGH (05.06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL EXPS (19, 20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25.03 26.30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
	1.2	1.0	1.0						1.0		2.5	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY....	41	6	6		4			3	19			SU
	100.0	9.9	9.9		2.5			3.7	23.5			RU
												CU
	1.4	1.3	1.3		2.0			1.0	1.1			MU
												MN
TOTAL - PHASE IV (PEG).....												SU
												RU
												CU
												MU
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	419	120	104		4	2		27	397			SU
	100.0	14.7	12.5		1.1	0.2		3.3	48.5			RU
												CU
	1.1	1.1	1.1		1.0	1.0		1.1	1.1			MU
												MN
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	11	1	1						5		1	SU
	100.0	9.1	9.1						45.5		9.1	RU
												CU
												MU
	1.0	1.0	1.0						1.0		1.0	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	11	1	1					1	4		2	SU
	100.0	9.1	9.1					9.1	36.4		18.2	RU
												CU
												MU
	1.1	1.0	1.0					1.0	1.0		1.0	MN
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY....	35	5	8		1			8	7		1	SU
	100.0	14.3	22.9		2.9			22.9	20.0		2.9	RU
												CU
												MU
	1.4	1.0	1.6		1.0			2.0	2.3		1.0	MN
TOTAL - PHASE V (ACT).....												SU
												RU
												CU
												MU
												MN

BEST COPY AVAILABLE

TABLE 4.13

TABLE 2351 MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA)
ACTUAL DISCREPANCIES

--- TRANSACTION TYPE ---	TOTAL	ADJ GROSS INC (12.13)	TAXES PAID (16.17 18)	DEPEND STATUS (02)	ASSETS (21)	CITIZEN-SHIP (01)	NON-TAXABLE INCOME (08.09 10.11)	PORTIONS EARNED (14.15)	
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	416	99	59	8	41		106	123	SW
	100.0	23.8	14.2	1.9	9.9		25.5	29.6	NW
									CW
									NW
	1.1	1.1	1.1	1.1	1.1		1.0	1.1	NW
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	8		1						SW
	100.0		12.5						NW
									CW
									NW
	1.0		1.0						NW
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	25	4	1		2		1	6	SW
	100.0	16.0	4.0		8.0		4.0	24.0	NW
									CW
									NW
	1.1	1.0	1.0		1.0		1.0	1.0	NW
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY.....	47	20	5	2	5		10	26	SW
	100.0	42.6	10.6	4.3	10.6		21.3	55.3	NW
									CW
									NW
	1.2	1.3	1.3	1.0	1.3		1.4	1.4	NW

NOTE: CELL (1,1) THE GRAND TOTAL REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE
THE TOTAL COLUMN SUBTOTALS ARE UNDUPLICATED COUNTS
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

TABLE 4.13

MEAN NUMBER OF INSTITUTION/OTHER TRANSACTIONS BY ACTUAL DISCREPANCY TYPE
(PRE-ESTABLISHED AND ACT CRITERIA) - CONT.
ACTUAL DISCREPANCIES)

--- TRANSACTION TYPE ---	TOTAL	POOR HIGH (05-06 07)	HOUSE-HOLD SIZE (04)	VET'S BENE-FITS (23)	UN-USUAL LAPS (14-20)	APPLI-CANT SAVINGS (22)	PRIOR ENROLL-MENT (24)	OTHER (25-03 28-30)	NONE (21)	UNKNOWN (26)	CASES CURRENTLY UN-RESOLVED	
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	416	22	70	1	8	2		26	150			SM
	100.0	5.3	16.8	0.2	1.9	0.5		6.3	36.1			RM
												CM
												RM
	1.1	1.0	1.0	1.0	1.0	1.0		1.1	1.1			MM
LETTERS INITIATED BY INSTITUTION/THIRD PARTY.....	8	1							6			SM
	100.0	12.5							75.0			RM
												CM
												RM
	1.0	1.0							1.0			MM
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR.....	25		1						17		3	SM
	100.0		4.0						68.0		12.0	RM
												CM
												RM
	1.1		1.0						1.1		1.5	MM
TELEPHONE CALLS INITIATED BY INSTITUTION/THIRD PARTY.....	47		9		1			1	8		5	SM
	100.0		19.1		2.1			2.1	17.0		10.6	RM
												CM
												RM
	1.2		1.5		1.0			1.0	1.1		1.3	MM

NOTE: CELL (1,1), THE GRAND TOTAL, REPRESENTS THE TOTAL NUMBER OF CASES (STUDENTS) IN THE TABLE)
THE TOTAL COLUMN SUBTOTALS ARE UNDUPLICATED COUNTS)
OTHER ROW AND COLUMN TOTALS AS WELL AS CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

Distribution of Letter Transactions by Mode of Resolution

Closure Reason	Letters Initiated by Contractor	Letters Initiated by Applicant/Parent
Valid SER Correction	3.48	2.06
Acceptable Documentation	3.04	1.54
Non-Response to Additional Request	4.34	1.38
Unacceptable Response after Additional Request	4.60	2.70

Of the closure modes presented in this summary table, cases closed because an unacceptable response was received after numerous requests averaged the highest number of letters initiated by the contractor (4.6). Cases closed for this reason also averaged the highest number of letters received from students and parents (2.7 per case), followed in frequency by cases closed for SER corrections (2.06 per case). This observation indicates that the greatest number of letter transactions occurred for those cases in which some corrections have been made to Student Eligibility Reports (either proper or improper corrections). This occurrence is attributable to the design and philosophy of the validation procedures, i.e., any discrepancies discovered by the Validation Contractor which have not been corrected by students must be brought to the attention of the student.

An in-depth analysis of Table 4.14 indicates that among the various study samples, cases selected in Phase I which resulted in closure due to the receipt of an unacceptable response averaged the highest number of letters initiated by the students or parents (1.6 per respondent), whereas applicants from the fourth phase averaged the lowest (1.4 per respondent). This finding is most likely a result of the fact that applicants initially selected had a greater overall time span in which to respond, even though all applicants were instructed to respond within a given number of days. In

TABLE 4.14

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY MODE OF RESOLUTION (PRE-ESTABLISHED AND ACT CRITERIA)

--- TRANSACTION TYPE ---	TOTAL	MODE OF RESOLUTION: VALID SER CONNEC-TION	ACCEPT-ABLE DOCUMEN-TATION	DE RESO-LUTION	UNABLE TO CON-TACT-STU-DENT/PAR	TOTAL NON RES-PONSE	ADD REQUEST NON RES-PONSE	ADD REQUEST UN-ACCEPT RESP	NUM-USE OF GRANT	SEM CONNEC-TIONS NOT YET PROCESS	CASES UN-RESOLVED	
TOTAL - ALL CASES.....												SU AV CV MN MX
TOTAL - PHASE I (PEC).....												SU AV CV MN MX
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	14,962	6,442	575	47	130	2,938	2,844	750	249	498	425	SU
	100.0	43.1	3.8	0.3	1.0	19.6	19.0	5.0	2.0	3.3	2.8	AV
	3.7	3.4	3.0	2.9	3.3	4.2	4.3	4.7	3.3	4.2	3.6	CV MN MX
LETTERS INITIATED BY APPLICANT/PARENT.....	6,461	3,839	303	32	3	149	989	482	117	339	228	SU
	100.0	59.2	4.7	0.5		2.3	15.3	7.4	1.8	5.2	3.5	AV
	1.9	2.0	1.6	2.0	1.0	1.2	1.5	3.0	1.3	2.9	2.0	CV MN MX
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	16	8					2	2	2	2		SU
	100.0	50.0					12.5	12.5	12.5	12.5		AV
	1.1	1.1					1.0	2.0	1.0	1.0		CV MN MX
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	1,409	978	64	3	1	72	120	57	12	44	50	SU
	100.0	69.4	4.5	0.2	0.1	5.1	8.5	4.0	0.9	3.1	3.5	AV
	1.5	1.4	1.4	1.0	1.2	1.2	1.3	1.6	1.0	1.4	1.5	CV MN MX
TOTAL - PHASE II (PEC).....												SU AV CV MN MX
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,755	1,518	125	24	39	868	722	157	74	125	101	SU
	100.0	40.4	3.3	0.6	1.0	23.1	19.2	4.2	2.0	3.3	2.7	AV
												CV MN MX

BEST COPY AVAILABLE

BEST COPY AVAILABLE

TABLE 4.14

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY MODE OF RESOLUTION (PRE-ESTABLISHED AND ACT CRITERIA)
MODE OF RESOLUTION:

--- TRANSACTION TYPE ---	TOTAL	VALID SER CORREC-TION	ACCEPT-ABLE DOCUMEN-TATION	DE RESO-LUTION	UNABLE TO CON-TACT->STU-DENT/PAR	TOTAL NON RES-PONSE	ADD REQUEST NON RES-PONSE	ADD REQUEST UN-ACCEPT RESP	NON-USE OF GRANT	SER CORRECT-IONS NOT YET PROCESS	CASES UN-RESOLVED	
	3.8	3.4	2.7	3.4	2.8	4.3	4.2	4.5	3.5	4.3	3.9	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	1,522	892	94	14		35	256	94	27	83	23	SV
	100.0	58.6	6.5	0.9		2.3	16.8	6.2	1.8	5.5	3.5	RV
												CV
												RV
	1.9	2.0	1.5	2.0		1.1	1.5	2.7	1.2	2.9	2.2	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9	5		1			2			1		SV
	100.0	55.6		11.1			22.2			11.1		RV
												CV
												RV
	1.0	1.0		1.0			1.0			1.0		MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	318	204	8	3	1	13	32	21	2	24	8	SV
	100.0	64.8	2.5	0.9	0.3	4.1	10.1	6.6	0.6	7.5	2.5	RV
												CV
												RV
	1.6	1.6	1.6	1.5	1.0	1.2	1.2	2.1	1.0	2.2	1.3	MN
TOTAL - PHASE III (PEG).....												SV
												RV
												CV
												RV
												MN
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	7,809	2,920	326	61	94	1,740	1,526	483	196	644	294	SV
	100.0	37.4	4.2	0.8	1.2	22.3	19.5	6.2	2.5	8.1	3.8	RV
												CV
												RV
	3.9	3.6	3.1	3.4	2.9	4.2	4.4	4.6	3.5	4.5	3.6	MN
LETTERS INITIATED BY APPLICANT/PARENT.....	3,843	1,714	188	39	9	73	456	247	75	148	134	SV
	100.0	56.3	5.3	1.3	0.2	2.4	15.0	8.1	2.5	4.6	4.4	RV
												CV
												RV
	1.9	2.1	1.9	2.2	1.7	1.8	1.3	2.8	1.3	2.6	1.7	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	9	7	1					1				SV
	100.0	77.8	11.1					11.1				RV
												CV
												RV
	1.2	1.4	1.0					1.0				MN

BEST COPY AVAILABLE

TABLE 4.14

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY MODE OF RESOLUTION (PRE-ESTABLISHED AND ACT CRITERIA)
MODE OF RESOLUTION:

--- TRANSACTION TYPE ---	TOTAL	VALID SER CONNEC-TION	ACCEPT-ABLE DOCUMEN-TATION	OE RESO-LUTION	UNABLE TO CON-TACT-STU-DENT/PAR	TOTAL NON RES-PONSE	ADD REQUEST NON RES-PONSE	ADD REQUEST UN-ACCEPT RESP	NON-USE OF SHARI	SEA CONNEC-TIONS NOT YET PROCESS	CASES UN-RESOLVED	
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	385	334	27	15	4	33	58	36	9	41	28	SW
	100.0	57.1	4.6	2.6	0.7	5.6	9.9	6.2	1.5	7.0	4.8	RW
												CW
	1.5	1.6	1.4	1.7	4.0	1.2	1.3	1.4	1.0	1.9	1.6	MW
TOTAL - PHASE IV (PEG).....												SW
												RW
												CW
												MW
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	3,934	1,338	123	23	70	951	809	237	91	189	145	SW
	100.0	33.8	3.1	0.6	1.7	24.2	20.6	6.0	1.3	4.8	3.7	RW
												CW
	3.9	3.8	3.3	3.3	3.0	4.2	4.4	4.7	3.0	4.7	3.8	MW
LETTERS INITIATED BY APPLICANT/PARENT.....	1,435	776	53	17	3	28	246	120	21	102	69	SW
	100.0	54.1	3.7	1.2	0.2	2.0	17.1	8.4	1.5	7.1	4.8	RW
												CW
	1.8	2.0	1.4	2.4	1.0	1.1	1.3	2.4	1.2	2.6	2.0	MW
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..												
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	278	168	10	4	6	12	25	15	4	25	7	SW
	100.0	60.4	3.6	1.4	0.7	4.3	9.0	5.4	1.4	9.0	2.5	RW
												CW
	1.5	1.6	2.0	1.3	1.0	1.2	1.2	1.2	1.3	1.7	1.0	MW
TOTAL - PHASE V (ACT).....												SW
												RW
												CW
												MW
LETTERS INITIATED BY VALIDATION CONTRACTOR.....	4,201	749	366	13	111	1,147	787	425	71	483	407	SW
	100.0	17.1	8.6	0.3	2.6	26.2	18.0	9.7	1.6	8.5	9.3	RW
												CW
	3.9	3.5	3.1	3.3	2.6	4.2	4.4	4.5	3.9	4.8	3.8	MW

07/27/76 -144- PREPARED BY APPLIED MANAGEMENT SCIENCES

BEST COPY AVAILABLE

TABLE 4.14

MEAN NUMBER OF APPLICANT/PARENT TRANSACTIONS BY MODE OF RESOLUTION (PRE-ESTABLISHED AND ACT CRITERIA)
MODE OF RESOLUTION:

--- TRANSACTION TYPE ---	TOTAL	VALID SER CORRECTION	ACCEPTABLE DOCUMENTATION	DE RESOLUTION	UNABLE TO CONTACT STUDENT/PAR	TOTAL NUM RESPONSE	ADD REQUEST NON RESPONSE	ADD REQUEST UNACCEPT RESP	NON-USE OF GRANT	SER CORRECTIONS NOT YET PROCESS	CASES UNRESOLVED	
LETTERS INITIATED BY APPLICANT/PARENT.....	1,648	471	212	6	4	48	225	263	33	182	204	SV
	100.0	28.6	12.9	0.4	0.2	2.9	13.7	16.0	2.0	11.0	12.4	RV
												CV
												RV
	2.8	2.2	1.7	1.5	1.3	1.2	1.3	2.0	1.8	2.6	2.1	MN
TELEPHONE CALLS INITIATED BY VALIDATION CONTRACTOR..	3	1	2									SV
	100.0	33.3	66.7									RV
												CV
												RV
	1.5	1.0	2.0									MN
TELEPHONE CALLS INITIATED BY APPLICANT/PARENT.....	366	99	64		1	36	36	39	2	63	68	SV
	100.0	28.6	16.8		0.3	9.3	8.8	10.1	0.5	11.1	17.6	RV
												CV
												RV
	1.4	1.4	1.9		1.0	1.4	1.4	1.5	1.0	1.6	1.5	MN

NOTE: TOTAL RU=(S) REPRESENT CASES (STUDENTS)!
CELL ENTRIES ARE DUPLICATED COUNTS.

BEST COPY AVAILABLE

comparing the average number of letters sent from students whose cases were resolved because they failed to respond to an additional request for documentation, or SER correction, it can be seen that students selected in the first two phases sent a slightly greater number of letters than did those in the latter three phases (1.5 vs. 1.3). This finding may be explained by the hypothesis, previously stated in this report, that students who were contacted earlier in the year had the greatest incentive to respond since they had not received their full BEOG award at the time validation began.

For those cases in which telephone calls were initiated by students and parents, the greatest proportion were from individuals whose case was resolved due to the receipt of a corrected SER, i.e., an average of 1.6 calls in Phase I, and 2.2 calls for cases with SER corrections not yet processed in Phase II. This finding indicates that students who do change data on the SER are concerned about these corrections and presumably are concerned about the effects of the corrections on their eligibility.

4.5: CHAPTER SUMMARY

In the conduct of the 1977-78 validation studies, a total of 55,181 transactions (letters and telephone calls) were taken between the validation contractor and students or their parents. Specifically, 3,198 transactions occurred for 925 cases referred by institutions, the Office of Education, and the contractors performing work for the Basic Grant Program, the remaining 51,983 transactions occurred for the 9,126 cases selected from the Basic Grant data base according to Pre-established Criteria and American College Testing Program criteria. The transactions recorded in these studies and upon which the findings have been derived represent transactions taken for all cases validated, including those in which the validation had been completed as well as cases which were still undergoing validation at the time these statistics were compiled. Analysis of the data obtained regarding the frequency and nature of transaction types resulted in the following major observations:

Institution/OE Referral Study

- Among all types of transactions (excluding the mailing of the initial letter which is required for every case), the most frequent type of transaction was the first follow-up letter (sent to 11.4% of the cases). This first follow-up occurred at a higher frequency than did all types of additional request letters mailed by the contractor (11.4% vs. 10.1%).
- Cases referred with errors in post-high school enrollments averaged the highest number of transactions per case (5.1).
- While cases referred for discrepancies in adjusted gross income contained the greatest proportion of transactions, upon determination of actual error, cases with actual discrepancies in Federal taxes paid contained the highest proportion of transactions.
- Fifty-six percent of the applicants validated in the Institution/OE Referral Study required a first follow-up letter in contrast to the 1976-77 study in which sixty percent required the first follow-up.
- Only 13.3 percent of the first responses from students contacted in the Institution/OE Referral study were completely acceptable. Among discrepancy types, however, cases referred with errors in post-high school enrollment, nontaxable income and household size exhibited the greatest number of first responses which were acceptable.
- The acceptability of second responses increased only marginally from the rate of acceptability in the first response cycle (only by 4.2%). Most of these acceptable second responses were valid SER corrections. By the time of the third response, 30 percent of the responses were acceptable, indicating that as more instructions are sent by the validation contractor, the greater the chances are that the student will respond correctly.
- The average number of letters initiated by the contractor was highest for cases referred with zero/low income and unusual expenses (3.5 letters per case), whereas the average number of letters initiated by respondents was highest in cases referred with multiple discrepancies (2.2 per case).

Pre-Established and ACT Criteria Study

- An average of 5.7 transactions were required for each Pre-established Criteria case.
- Almost half of the transactions in Pre-established Criteria cases between the contractor and students (or parents) involved cases in which no discrepancies could be ascertained, because verifying documents had been provided, the student failed to respond at all, or an unacceptable response had been provided after numerous requests. (48.2%).
- Among cases in which the discrepancies were identified, the greatest proportion of transactions occurred in cases with errors in taxes paid, followed by errors in the portions of earned income and errors in adjusted gross income.
- Nearly 60 percent of all Pre-established Criteria study applicants required a first follow-up letter; almost 60 percent of these students required another follow-up letter. In cases where discrepancies were determined, students with errors in the post-high school enrollment required the highest proportion of both types of follow-up letters.
- Nearly 85 percent of the first responses received in the 1977-78 Pre-established Criteria Study were unacceptable and required further contacts with the students in contrast to the 1976-77 study in which approximately 70 percent were unacceptable.
- Among the acceptable first responses which resulted in valid SER corrections, the most frequent discrepancy types were errors in unusual expenses, adjusted gross income and taxes paid.
- Second responses increased in acceptability in comparison to first responses by 30 percent in the 1977-78 validation study, whereas in the 1976-77 study second responses increased in acceptability by only 7.6 percent. Of the acceptable second responses received in the 1977-78 study, most were responses containing valid SER corrections.
- The rate of letter and telephone communications within each of the five phases of the Pre-established Criteria Study were relatively equal; however, slightly fewer letters were initiated by the contractor for cases in the first phase (3.7 per case) than in the final phase (3.9 per case).

- It was found that cases with discrepancies in SER items not originally brought into question at the initiation of validation, i.e., Veteran's Educational benefits, dependency status errors and savings errors required the highest average number of letters initiated by the contractor to resolve the case.
- The average number of letters initiated by the contractor per case was highest for those cases in which an unacceptable response had been received after numerous additional requests. This trend was also observed for the letters initiated by students and parents.

5

ANALYSIS OF OVERPAYMENT RECOVERY PROCEDURES

5.1: STUDY OVERVIEW

The overpayment recovery effort was designed to recoup Basic Grant funds from those individuals whose awards exceed their entitlement. In the August 25, 1977 "Dear Colleague" letter financial aid officers were advised of the procedures for reporting students for collection. Recovery action was undertaken whenever the referred student was a valid case for overpayment recovery. The principal situations were:

- A student received a disbursement and did not complete registration or attend classes;
- A student received a grant and withdrew or dropped out prior to the end of the period covered by the award;
- A student received a grant based on an incorrect Student Eligibility Report (SER), and correction of the SER resulted in the student being less eligible or completely ineligible for a grant;
- A student received a grant and did not use it to defray educational expenses at the institution which disbursed the award;
- A student received a grant but had been awarded a baccalaureate degree previously;
- A student received a grant and was not a U.S. citizen or a permanent resident of the U.S.;
- A student received a grant and subsequently reduced his or her course load to 3/4 or 1/2 time status.

Financial aid officers at participating institutions were the primary source for referrals. Students referred themselves infrequently; and friends, relatives, and spouses provided the remaining referrals. Upon receipt of a referral, overpayment recovery personnel reviewed the information for completeness and clarity. Telephone calls were placed or letters were mailed to the institutional contact and/or the originator of the referral to obtain additional information or clarification as necessary. When the case background was complete, recovery action was initiated.

5.2: OVERPAYMENT RECOVERY METHODOLOGY

Overpayment recipients were notified via a certified letter of the initiation of collection action. The letter advised the overpayment recipient of the amount due, the academic year in which the overpayment occurred, and the reason for the overpayment. Each individual was instructed to select a plan for repayment of his or her debt from three suggested options. The options were:

- equal monthly installments
- a large initial payment and several equal monthly installments
- a lump sum payment

Finally, the student was advised that he or she would not receive financial assistance for which he/she was eligible under the Basic Grant, Supplemental Educational Opportunity Grant, National Direct Student Loan, Guaranteed Student Loan, and College Work Study Programs until the entire amount of the Basic Grant debt is repaid. A letter instructing the withholding of Federally funded financial assistance under these programs was mailed to the financial aid officer at the referring institution at the same time the notification of overpayment was sent to the student.

If the overpayment recipient did not respond to the initial request to establish a repayment schedule within two weeks, an uncertified follow-up letter was mailed. Follow-up letters were

mailed uncertified to reduce the possibility of letters not being claimed. Non-respondents to the follow-up received a final letter advising them that their cases might be turned over to the General Accounting Office for additional collection activity as appropriate. In the event that a student did not establish a repayment schedule or that a student was not located, the case was considered closed and no further action was taken unless a student agreed at a later date to repay his or her debt.

Responses from students were reviewed to determine whether or not the individuals responded satisfactorily to the request for payment. A notification of billing procedures was sent to each student who agreed to pay. This letter indicated the number and the dollar amount of payments and the day of the month on which each installment is due. Students who responded by indicating a repayment schedule and/or sending a first installment received payment receipts. The payment receipt indicated the account's previous balance, the amount of the payment, and the new (unpaid) balance. It also advised the student of the amount and due date for the next payment. Students who remitted the full amount of their overaward or made their final installment received letters thanking them for cooperating with the recovery effort. Whenever an individual remitted full payment, a letter which stated that the overpayment had been returned to the Basic Grant Program was sent to the financial aid officer at the referring institution.

Each check or money order was scanned for completeness and acceptability. Overpayment recovery staff looked for specific errors. Possible problems with each payment included pre- or post-dating, payment amount less than the amount due, payment not payable to the U.S. Office of Education or the Basic Grant Program, discrepant dollar amounts, an unsigned check, and payments not bearing the name of the student. Whenever one of these problems occurred, a letter was sent to the overpayment recipient requesting a replacement payment. Such payments were not posted to the individuals' accounts until satisfactory payments or identification was received.

Partial payments were the only exception -- these were credited to the accounts and a letter requesting that the student forward the unpaid portion of the monthly installment within one week was mailed. Additional follow-up was undertaken if the student did not respond to this request.

All acceptable payments were posted to the appropriate overpayment recipient's account, coded for entry into the automated collections accounting system, and forwarded to the Finance Division of the Office of Education. OE Finance then deposited the payments with the Treasury Department. In accordance with instructions prepared by OE Finance, the system was developed to provide an automated accounting and reporting system into which all overpayment recovery cases were entered. Data entered in the system for each student included:

- student's name, address, and social security number
- fiscal year in which overpayment occurred
- OE vendor number for the funded institution which disbursed the overaward
- grant expected, amount disbursed, amount repaid to the institution
- eligibility index
- student educational cost
- total amount to be repaid
- each collection against accounts receivable
- unbilled collections[1/]
- bounced checks
- closure reason

[1/] Unbilled collections were payments sent by individuals who neither had referred themselves nor had been referred by an institution or third party and for whom no account receivable had been established. Prior to depositing these payments, the overpayment recovery staff contacted the individual and/or the institution at which the overpayment occurred to verify the existence of a debt to the Basic Grant Program.

Although the capability to produce tapes of accounts receivable activity for delivery to the Finance Division, USOE, existed, no such tapes were generated pending receipt of modifications to the data tape formats.

Overpayment recipients were instructed to contact the recovery contractor to obtain answers to problems. Most frequently, students indicated that they could not meet the terms of the repayment options. In these cases, the overpayment recovery staff attempted to determine how much the student could afford and adjusted the payment amounts accordingly. The only other problem encountered frequently was the lack of understanding of how an overpayment occurred. In these instances, the student was informed of the exact reason for the overpayment. If, after receiving an explanation, the student did not respond or establish a repayment schedule, the student's case was processed with all other non-respondents.

5.3: STUDY RESULTS

A total of 2,734 cases were opened during the 1977-78 overpayment recovery effort. The data presented in this discussion are based on the activity for those cases. At the end of the contract year (June 30, 1978), 1,802 cases had been closed. The remaining 932 were still open and overpayment recovery action will continue on these cases during the 1978-79 period.

The discussion of our experience this year will roughly follow the sequence of a typical case. A description of the characteristics of referrals is presented first. The next sections address the level of success in locating overpayment recipients and in establishing repayment plans. Repayments by students and modes of case resolution are discussed next. The final section describes the length of time required to resolve cases.

5.3.1: Sources of Referrals

As anticipated, the overwhelming majority of the referrals were furnished to the overpayment recovery contractor by financial

aid officers. Ninety-nine and one-half percent (N=2,721) of all cases opened during the 1977-78 contract year were referred by institution personnel. Of the institutionally referred cases, 73 percent (N-1990) owed less than $200. Twenty percent (N=542) owed between $200 and $399.99. Only 7 percent of the cases referred owed more than $400. A mere 12 students (0.4 percent) referred themselves. One referral was provided by another source. In this case the student was referred by his brother, who felt that the student was "ripping off the system by taking someone else's money."

Regardless of the source of referrals, the average amount owed per case was $169.10. On the average, students who referred themselves owed twice as much as students who were referred by institutions, although the number of self-referrals is so low that this trend cannot be considered stable. In the cases referred by the institutions, the average amount owed per case ($168.25) was only 44.8 percent of the amount owed ($375.04) by self-referred cases. A summary table below describes the average amounts owed and paid by source of referral.

Referral Source	Average Amount Owed	Average Amount Paid
Institution (N=2721)	$168.25	$ 22.04
Self (N=12)	$375.04	$145.50
Other (N=1)	$ 0.0	$ 0.0
All Sources	$169.10	$ 22.57

Students who referred themselves each repaid 6.6 times as much as students referred by institutions, presumably because they were more concerned about settling their debts. Self-referrals repaid an average of $145.50 per case. However, this difference cannot be generalized due to the small number of self-referrals.

The following text table presents the percentage of the total referrals by type of institution control. In almost 90 percent (N-2,453) of the cases opened, the overpayment recipients received the overawards at public institutions. This figure is consistent with the fact that the majority of BEOG recipients (71 percent) attend public schools.[1/]

Type of Institution Control	Percent of Total Cases
Public	89.7 (N=2,453)
Private/Non-Profit	3.5 (N=95)
Proprietary	6.8 (N=185)
Unknown	0 (1)
Total	100.0 (N=2,734)

Institution size does not seem to have had any direct bearing on the number of overpayment recipients referred for collection action. Thirty-nine percent (N=1,066) of the overpayment cases opened this year attended schools with student populations between 1,001 and 5,000. An additional 31.1 percent (N-850) attended schools in which the student enrollment exceeded 5,000. Finally, 29.9 percent (N=817) attended institutions with a student enrollment of not more than 1,000.

The following text table summarizes the number of cases opened by the student educational cost on which the Basic Grant award was calculated.

[1/] See Section 3.5 for the distribution of 1976-77 recipients by control of institution attended.

Student Educational Cost (In Dollars)	Percent of Total
Less than 1,500	8.9 (N=242)
1,501 - 2,000	58.7 (N=1,605)
2,001 - 2,500	22.1 (N=603)
2,501 - 3,000	4.4 (N=121)
3,001 - 3,500	1.1 (N=30)
3,501 - 5,000	3.2 (N=88)
More than 5,000	0.5 (N=13)
Unknown	1.2 (N=32)
Total	100.0 (N=2,734)

In looking at the number of overpayments by student educational cost on which the overpayment recipient's award was calculated, the largest group (N=952, or 34.8 percent) occurred in programs for which the educational cost was between $1,501 and $1,750 per year. Indeed, 80.8 percent (N=2,208) of the overpayments occurred in the educational cost range of $1,501 - $2,500. The largest average overpayment ($317.97) occurred in the $2,751 - $3,000 educational cost range. A summary table of the average amounts owed and repaid by student educational cost ranges follows.

Student Education Cost	Percent of Total Cases	Average Amount Owed	Average Amount Paid
Less than $1,200	3.9 (N=108)	180.81	31.17
$1,201 - $1,500	4.9 (N=134)	134.58	23.67
$1,501 - $1,750	34.8 (N=952)	119.30	16.68
$1,751 - $2,000	23.9 (N=653)	157.09	18.64
$2,001 - $2,500	22.1 (N=603)	223.50	27.31
$2,501 - $2,750	3.3 (N=91)	246.20	20.38
$2,751 - $3,000	1.1 (N=30)	317.97	27.96
$3,001 - $3,500	1.1 (N=30)	238.27	21.02
$3,501 - $5,000	3.2 (N=88)	253.36	40.90
More than $5,000	0.5 (N=13)	262.27	1.54
Unknown	1.2 (N=32)	282.00	115.8
Total	100.0 (N=2,734)	169.10	22.57

5.3.2: Locating Overpayment Recipients

The first problem encountered was location of and contacting each overpayment recipient. Of the 2,734 cases opened, 8.9 percent (N=242) were not contacted due to incorrect or old addresses and were closed out for this reason (i.e., no further collection actions were taken). The unlocated overpayment recipients owed an average debt of $159.91 each, or a total debt of $38,698.22.

On occasion, the referring financial aid officer would forward a partial payment (perhaps a refund of monies paid to the institution) with a referral. Thus, although the overpayment recovery contractor was unable to locate an individual, neverthe less a partial recovery was accomplished. A total of $55.66 was recovered from unlocated students in this manner.

5.3.3: Payment Plan Selection

Each overpayment recipient was instructed in the letter notifying him/her of the collection action to make a selection of one of three suggested options for repaying the amount owed. The options are listed in Section 5.2.

Slightly less than 25 percent (N=680) of the overpayment recipients established schedules for repaying their debts. This figure represents 27.3 percent of the individuals who were located.

Among the reasons given by the 75 percent of the individuals who did not establish payment plans for their failure to agree were the following:

- student was unemployed
- student or family member has become disabled and has barely enough resources to maintain family, let alone pay back a grant
- student or family member has recently required major surgery and faces overwhelming medical bills
- student feels he or she was "entitled to that money"
- student feels he or she is the exception to the rules and therefore does not have to repay
- student just had a baby and/or her husband just left her

Students also failed to respond in any way.

In the initial letter to each student, three options for repayment of the debt are described. The student is instructed to select the option which best suits his/her ability to repay. The text table below describes the repayment plans selected by all cases on record this year.

Pay Plan Type	Percent of Total	Average Amount Owed	Average Amount Paid
Equal Monthly Installments	20.0 (N=547)	$193.70	$ 61.86
Large Initial Payment	3.9 (N=107)	$222.81	$ 92.93
Lump Sum Payment	1.0 (N=26)	$ 87.81	$ 71.62
No Pay Plan	75.1 (N=2,054)	$160.77	$ 7.82
Total	100.0 (N=2,734)	$169.10	$ 22.57

Clearly, the equal monthly installment option was the most frequently selected repayment option. Over 80 percent (N=547) of the students who agreed to repay selected this option. Students who selected the lump sum payment option typically owed less than $100 (an average of $87.81).

Nearly 16 percent (N=107) of the 680 overpayment recipients who selected repayment plans failed to remit a single payment. The percentage of payers and non-payers selecting each of the three options were very similar as shown below. This indicates that the selection of certain types of payment plans is inconclusive for the purpose of identifying potential non-payers.

Pay Plan Selected	Percent of Cases In Which No Payment Was Received	Percent of Cases In Which Payment Was Received	Total
Equal Monthly Installments	16.6 (N=91)	83.4 (N=456)	100.0 (N=547)
Large Initial Payment	10.3 (N=11)	89.7 (N=96)	100.0 (N=107)
Lump Sum Payment	19.2 (N=5)	80.8 (N=21)	100.0 (N=26)

5.3.4: Repayments

During the 1977-78 overpayment recovery effort, a total of $67,252.70 was collected. Of this amount, $61,709.20 was recovered as the result of billings to students. The remaining $5,543.50 was recovered through unbilled collections (see p. 5.4 for definition). The average amount of each unbilled collection was $461.96, nearly 14 times larger than the average amount of each billed payment ($33.48).

Overpayment recipients repaid their overawards in a variety of ways. Several students made partial or complete repayment of their debts directly to the institution before or after being notified of the implementation of collection action. Such individuals accounted for 2.5 percent (N=68) of all cases. These students owed an average debt of $68.75, and a total debt of $4,675.00. Of the overpayment recipients who made repayments through this effort, some had paid in full, some had ceased repayment, and some were still open. As of the end of the contract year, 932 (34.1 percent) of the cases opened had not been resolved. Approximately one-third of the unresolved cases (N=299) had agreed to repay at the time this report was prepared. The remaining 67.9 percent had not yet agreed to repay their debts. The average amount owed by the open cases was $188.41; or a total debt of $175,598.12. The same group had paid an average of $21.46 per case, or a total of $20,000.72.

Twelve (N=333) of all cases opened repaid in full. These individuals owed an average debt of $106.51. Eighty-six and one-half percent (N=288) of the students who paid in full owed less than $200.00. Only 5.4 percent (N=18) of the 333 students who paid in full owed $300.00 or more.

Not all students who agreed to repay their debts were closed for making full repayment. A total of 4.8 percent (N=130) of all cases failed to completely repay their debts. These students owed an average debt of $186.14, the largest of any of the various groups

analyzed. Only the cases still open owed a larger average debt: $188.41, a difference of $2.27 per case. Students who ceased repayment returned an average of $47.11, slightly more than 25 percent of the average amount owed.

5.3.5: Modes of Case Resolution

The following text table presents a breakdown of cases by closure reason for both the 1976-77 and 1977-78 contract years.

	Number		Percent	
Closure Reason	76-77	77-78	76-77	77-78
Paid in full	28	333	15.1	18.5
Payment plan not established	122	1,017	65.9	56.4
Cannot locate student	29	242	15.7	13.4
Stopped paying	0	130	0	7.2
Repaying at school	4	68	2.2	3.8
Erroneous referral	2	12	1.1	0.7
Total	185	1,802	100.0	100.0

Nearly 66 percent (N=1,802) of the cases for 1977-78 were closed for one of the reasons listed in the previous text table.

The majority (79.2 percent, N=264) of the cases closed for full repayment were enrolled in programs with a student educational cost between $1,501 and $2,000. Nearly half (47 percent, N=9) of the cases in which the amount owed was between $1,000 and $1,400 came from schools with an education cost of $2,001 - $2,500. An additional 21.1 percent (N=4) of the $1,000 - $1,400 debt cases occurred at schools with an educational cost between $2,501 and $2,750.

The average amount owed and paid per case by type of institutional control is summarized on the following page.

Type of Control	Percent of Total	Average Amount Owed (in $)	Average Amount Paid (in $)
Public	89.7 (N=2,453)	160.66	22.00
Private/Non-Profit	3.5 (N=95)	288.37	40.05
Proprietary	6.8 (N=185)	219.96	20.72
Other-Unknown	0.0 (N=1)	112.00	112.00
Total	100.0 (N=2,734)	169.10	22.57

Overpayment recipients who repaid the full amount of their overpayments accounted for less than 20 percent (N=333) of all closed cases. Of the individuals who paid in full, 86.5 percent (N=288) owed less than $200. Failure to establish a repayment plan was the most frequent reason for case closure. Fifty-six and four-tenths percent (N=1,017) of all closed cases were closed because the overpayment recipients failed to establish a repayment schedule. Cases closed for this reason outnumbered the cases closed for full payment by a factor of 3 to 1. Moreover, they outnumbered the third highest category, unlocated students, by a factor of more than 4 to 1 (1,017 vs. 242). The group of cases closed for failure to establish a repayment plan was comprised of non-respondents, refusals, and respondents who did not agree to repay for numerous reasons. The average debt for cases in this category was $180.18; the average amount paid was 4 cents. This "amount paid" was the result of the financial aid officers who infrequently forwarded partial payments on behalf of a student who never responded to the study's efforts to recover the overpayment.

A total of 13.4 percent (N=242) of the cases were closed because the overpayment recipients could not be located. This was a small decrease in terms of the percentage of cases (15.7) closed for the same reason during the 1976-77 effort.

Only 130 cases (7.2 percent) were closed because the overpayment recipients ceased paying before the full amount due was recovered. Eighty-six percent (N=112) of these students owed less than $300.

Three and eight-tenths percent (N=68) of the cases were closed because the overpayment recipients repaid at the school. This was an increase from the 1976-77 percentage.

Another group from whom even less funds were recovered through the contract effort was the group closed as erroneous referrals. Less than one-half of one percent (N=12) of all cases were determined to be invalid for follow-up after the letters notifying the overpayment recipients of the initiation of collection action were mailed. The data about the amount owed have been distorted as the result of setting the amount owed equal to zero. This was done for 10 (83.3 percent) of the erroneous referrals. Each of these 10 cases would have owed a repayment of less than $100. The two referrals in which the amount owed was not set to zero owed $135.34 and $288.00. No funds were recovered from these 12 award recipients.

When closing out cases, it became apparent that another closure reason would have been desirable: students who agreed to repay their debts but failed to remit any payments. In all, 5.9 percent (N=107) of all closed cases were closed for this reason. None of these 107 non-payers owed more than $500. Sixty-four and one-half percent (N=79) owed less than $200. The overall average debt for this category was $179.21, only $10 more than the average amount due for all cases opened. They also owed $72.70 more on the average than cases in which the students paid in full ($196.51).

5.3.6: Length of Time Required to Resolve a Case

The length of time required to resolve a case was related to the closure reason and the type of payment plan selected. A table summarizing length of time cases were open by payment plan selected follows:

Payment Plan Type	Less than 30 days	30-60 days	61-90 days	90-120 days	More than 120 days	Total
Equal Monthly Payments	0.2 (N=6)	1.1 (N=31)	1.3 (N=35)	1.7 (N=46)	15.7 (N=429)	20.0 (N=547)
Large Initial Payment	0.1 (N=2)	0.1 (N=4)	0.2 (N=5)	0.4 (N=10)	3.1 (N=86)	3.9 (N=107)
Lump Sum	0.5 (N=14)	0.1 (N=4)	0.0 (N=0)	0.0 (N=0)	0.3 (N=8)	1.0 (N=26)
No Pay Plan	10.9 (N=299)	16.1 (N=441)	28.7 (N=784)	12.4 (N=340)	6.9 (N=190)	75.1 (N=2,054)
Total	11.7 (N=321)	17.6 (N=480)	30.1 (N=824)	12.4 (N=396)	26.1 (N=713)	100.0 (N=2,734)

Cases in which the overpayment recipients selected payment plans requiring monthly installments tended to be open longer than either the lump sum payers or the non-payers. For instance, 78.4 percent (N=429) of the equal monthly installment payers were open more than 120 days. Slightly more than 80 percent (N=86) of the large initial payers were open more than 120 days. As seen in the table, individuals who selected the lump sum option tended to repay their debts relatively quickly. More than 69 percent (N=18) of the lump sum payments were received within 60 days. Fifty-three and eight-tenths percent were received within 30 days. This is probably due to the fact that lump sum payers tended to owe significantly smaller debts: an average of $87.81 as compared to $193.70 for the equal installment group and $222.81 for the large initial payment group.

A tabular breakdown of closed cases by length of time necessary to resolve the case is presented below.

Closure Reason	Less than 30 days	30-60 days	61-90 days	91-120 days	More than 120 days	Total
Paid in Full	5.4 (N=98	4.7 (N=84)	1.7 (N=30)	1.4 (N=25)	5.3 (N=96)	18.5 (N=333)
No Pay Plan	0.1 (N=1)	6.5 (N=117)	25.2 (N=455)	13.1 (N=236)	11.5 (N=208)	56.4 (N=1,017)
Unlocated	0.0 (N=0)	1.3 (N=23)	7.9 (N=142)	3.4 (N=62)	0.8 (N=15)	13.4 (N=242)
Stopped Paying	0.0 (N=0)	0.0 (N=0)	0.0 (N=0)	0.0 (N=0)	7.2 (N=130)	7.2 (N=130)
Repaid at School	1.4 (N=25)	1.2 (N=21)	0.4 (N=8)	0.2 (N=4)	0.6 (N=10)	3.8 (N=68)
Erroneous Referral	0.1 (N=2)	0.1 (N=2)	0.2 (N=3)	0.1 (N=2)	0.2 (N=3)	0.7 (N=12)
Total	7.0 (N=126)	13.7 (N=247)	35.4 (N=638)	18.3 (N=329)	25.6 (N=462)	100.0 (N=1,802)

Approximately 20 percent (N=373) of all closed cases were closed within 60 days of the initiation of collection action. Of these, 48.8 percent (N=182) were closed because the overpayment recipients paid in full. Over fifty percent of the closed cases (53.7 percent, N=967) were closed 61-120 days after opening. Of these, 71.4 percent (N=691) were closed because the overpayment recipients failed to establish repayment schedules. An additional 25.6 percent (N=462) of the cases required more than 120 days for closure. Students who failed to establish repayment plans accounted for 45 percent (N=208) of this category. One hundred percent (N=130) of the individuals who agreed to repay their debts but made no payments were open more than 120 days before closure.

As one would expect, cases in which the students owed more required more time to make full repayment.

Of the 932 cases remaining open, the amount recovered increased with the length of time each case has been open. The following text table shows amount paid by length of time for open and paid in full cases.

Case Status	Less than 30 days	30-60 days	61-90 days	90-120 days	More than 120 days	Total
Open	$ 0.70 (N=195)	$ 2.99 (N=233)	$ 3.57 (N=186)	$ 13.26 (N=67)	$ 70.18 (N=251)	$ 21.46 (N=932)
Paid In Full	$71.20 (N=98)	$89.66 (N=84)	$98.12 (N=30)	$109.48 (N=25)	$159.16 (N=96)	$106.51 (N=333)

5.4: CHAPTER SUMMARY

The overpayment recovery effort continued to provide a mechanism for the collection of Basic Grant overawards during the 1977-78 year. Requests for repayment were sent to 2,734 overpayment recipients. Not all the cases were opened this year: for 234 cases, collection action was initiated during the 1976-77 contract period and continued in the 1977-78 effort.

Procedures used in processing responses and in contacting the overpayment recipients were revised at the beginning of this year's effort. Throughout the year, additional modifications were made on an infrequent basis.

A brief summary of the outcomes and of the findings of this year's overpayment recovery effort is presented below.

- Sixty-six percent (N=1802) of the 2,734 cases in which overpayment recovery action was undertaken were resolved. Of these cases, 56 percent (N=1012) were closed because the overpayment recipients failed to establish repayment schedules within a reasonable time.
- Complete recovery of the amount over occurred in only 12 percent (N=333) of all cases. Individuals who repaid in full owed an average debt of $106.51.
- In all, $67,252.70 was recovered from 2,734 overpayment recipients. The average amount paid was $22.57 per case.
- Ninety-nine and one-half percent (N=2721) of all referrals were provided by institution financial aid personnel.
- The average amount owed was $169.10. In 73 percent (N=1996) of the cases, the overpayment recipient owed less than $200.00.